

June 16, 2003, MB#49
Minutes
Catawba County Board of Commissioners
Regular Session, Monday, June 16, 2003, 7:00 p.m.

Agreements

Agreements with City of Hickory for the Purchase of Water and Wastewater Plant Capacity	93	06/16/03
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Appointments

Tax Assessor	90	06/16/03
Animal Cruelty Investigators	90	06/16/03
Catawba County Economic Development Corporation	90	06/16/03
Catawba County Council for the Arts	90	06/16/03
Western Piedmont Sister Cities Association	90	06/16/03
Library Board of Trustees	90	06/16/03
Juvenile Crime Prevention Council	90	06/16/03
Local Emergency Planning Committee	90	06/16/03
Nursing & Rest Home Community Advisory Committee	91	06/16/03
Subdivision Review Board	91	06/16/03

Budget

2003-13, Budget Ordinance FY 2003-04	115	06/16/03
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Codification of County Laws

Ordinance 2003-12, Catawba County Code, Chapter 42, Water and Sewer Ordinance, Sec. 42-59	86	06/16/03
Ordinance 2003-14, Catawba County Code, Chapter 6, Animals, Sec. 6-13 Sanctions and penalties	123	06/16/03

Commendation, Certificates of

Sherrills Ford Small Area Plan Committee	54	06/16/03
Balls Creek Small Area Plan	54	06/16/03
St. Stephens/Oxford Small Area Plan Committee	54	06/16/03

Economic Development Corporation

Waiver of the Wage Test for Prestige Pillow, Inc.	91	06/16/03
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Emergency Services

Ordinance 2003-14, Catawba County Code, Chapter 6, Animals, Sec. 6-13 Sanctions and penalties	123	06/16/03
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Guests

Mayor Wayne Dellinger, Al Gaither, and Tom Rowe - City of Newton	54	06/16/03
Mayor Rudy Wright, Bruce Meisner, and Hamilton Ward - City of Hickory	54	06/16/03
Nancy Meek from Hickory Public Schools	54	06/16/03

Hickory, City of

2003-25, Authorization to Enter Agreement With Hickory for the Purchase of Water Plant Capacity	95	06/16/03
2003-26, Authorization to Enter Agreement With Hickory for the Purchase of Wastewater Plant Capacity And Treatment Services	102	06/16/03

Ordinances

2003-12, Catawba County Code, Chapter 42, Water and Sewer Ordinance, Sec. 42-59	86	06/16/03
2003-13, Budget Ordinance FY 2003-04	115	06/16/03
2003-14, Catawba County Code, Chapter 6, Animals, Sec. 6-13 Sanctions and penalties	123	06/16/03

Planning

Balls Creek Small Area Plan	54	06/16/03
JESS MONROE DR for an unnamed road located off Greedy Hwy. in Bandys Township	84	06/16/03
ROSEGATE CIR for an unnamed road located in Caldwell Township off Bethany Church Rd.	84	06/16/03
HAVENWOOD LN for an unnamed road located in Clines Township off Curlee Rd.	84	06/16/03
Rezoning request of Gary Stutesman, Lisa G. Sutesman and George Rhoney to rezone a 0.651 acre portion of an existing 3.25 acre tract from C-2 Commercial to C-1 Commercial	85	06/16/03

Public Health Department

Contaminated Water Sources Requiring Connection to Public Water	86	06/16/03
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Public Hearings

Balls Creek Small Area Plan	54	06/16/03
JESS MONROE DR for an unnamed road located off Greedy Hwy. in Bandys Township	84	06/16/03
ROSEGATE CIR for an unnamed road located in Caldwell Township off Bethany Church Rd.	84	06/16/03
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Rezoning request of Gary Stutesman, Lisa G. Sutesman and George Rhoney to rezone a 0.651 acre portion of an existing 3.25 acre tract from C-2 Commercial to C-1 Commercial	85	06/16/03
Contaminated Water Sources Requiring Connection to Public Water	86	06/16/03
Three Year Mandatory Update to 10-Year Comprehensive Solid Waste Management Plan	89	06/16/03

Resolutions

2003-23, Solid Waste Management Plan Update	89	06/16/03
2003-24, Waiver of the Wage Test for Prestige Pillow, Inc.	92	06/16/03
2003-25, Authorization to Enter Agreement With Hickory for the Purchase of Water Plant Capacity	95	06/16/03
2003-26, Authorization to Enter Agreement With Hickory for the Purchase of Wastewater Plant Capacity And Treatment Services	102	06/16/03

Small Area Plans

Balls Creek Small Area Plan	54	06/16/03
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Social Services

Acceptance of grant application from the NCDOT, Project No. 04-SC-002 for FY 2004 Catawba County Community Transportation Program	93	06/16/03
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Transit

Acceptance of grant application from the NCDOT, Project No. 04-SC-002 for FY 2004 Catawba County Community Transportation Program	93	06/16/03
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Utilities and Engineering

Three Year Mandatory Update to 10-Year Comprehensive Solid Waste Management Plan	89	06/16/03
Agreements with City of Hickory for the Purchase of Water and Wastewater Plant Capacity	93	06/16/03

The Catawba County Board of Commissioners met in regular session on Monday, June 16, 2003, 7:00 p.m., at the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chairman Dan A. Hunsucker, Commissioners Glenn E. Barger Barbara G. Beatty, and Lynn M. Lail.

A quorum was present.

Also present were County Manager/Deputy Clerk J. Thomas Lundy, Assistant County Manager Mick W. Berry, County Attorney Robert Oren Eades, Staff Attorney Debra Bechtel, and County Clerk Thelda B. Rhoney.

1. Chair Barnes called the meeting to order at 7:00 p.m.
2. Invocation offered by Chair Barnes. Commissioner Hunsucker led in the Pledge Allegiance to the Flag.
3. Commissioner Hunsucker made a motion to approve the minutes from the regular session of Monday, June 2, 2003. The motion carried unanimously.
- 3, Special Guests and Public Comment:

a. Special Guests:

Chair Barnes welcomed Mayor Wayne Dellinger, Councilmen Al Gaither and Tom Rowe from the City of Newton; Mayor Rudy Wright, Aldermen Bruce Meisner and Hamilton Ward from the City of Hickory; and Nancy Meek from Hickory Public Schools.

Chair Barnes presented Certificates of Commendation to the following Sherrills Ford Small Area Plan Committee Members, which completed its work in February 2002: Chairman Ed Nolley, Jerry Beatty, Douglas S. Howard, Glenn Hunsucker, Edward C. Neill, Helen Sides, Clyde G. Sigmon, David L. Stewart, Catherine S. Weaver, and Paul A. Beatty, Jr., (Planning Board liaison).

Commissioner Beatty presented Certificates of Commendation to the following Balls Creek Small Area Plan Committee Members: Vance Dalton, committee chair; Nancy B. Smyre, Robert F. (Robbie) Bennett, Jerry L. McCombs, Janice S. Morrow, Nancy Jo Teague, Philip Beard, Michael E. Isenhour, Chad Edward (Eddie) Barringer, Robert A. Crouch, Dr. Eric Shook, Stanley W. Stewart, and Paul A. Beatty, Jr., (who served as a liaison from the County Planning Board to the committee).

Commissioner Hunsucker presented Certificates of Commendation to the following St. Stephens/Oxford Small Area Plan Committee Members, which completed its work in April 2002: Chairperson Anne Barrier, who also served as that committee's liaison to the Planning Board; Larry Brittain, Ira Cline, John Cline, Cliff Isaac, Jeff Kerley, Todd Miller, John Robinson, Mack Stafford and Mike Williams.

b. Public Comment. None.

5. Public hearings:

a. Balls Creek Small Area Plan.

County Planner Mary K. George briefly described the small area plan concept and introduced Vance Dalton, Chairman, Balls Creek Small Area Planning Committee to make the presentation.

Mr. Dalton gave the following PowerPoint presentation:

Balls Creek SAP Process

- Thirteen committee members appointed by Board of Commissioners in early 2001
- Met monthly for past two years
- Obtained citizen input through community meeting held in June 2001 attended by 28 citizens
- Community Input Meeting

Community issues:

- preservation of rural character
- desire for public water and sewer
- desire for quality public planning policy

Residential Density Recommendations

High density:

- Northern portion of area
- 75-acre lot size
- Buffer and preserve trees

Medium density:

- Northeast and west-central portions of area
- One-acre lot sizes
- Buffer and preserve trees

Low density:

- Southeastern corner
- 2-acre lot sizes

Commercial/Mixed-Use Recommendations

- Village area (mixed uses of commercial, multi-family, office-institutional) around Abernethy Center
- Neighborhood commercial nodes along Hwy. 16 and 10 at Bethany Church/ Balls Creek and Buffalo Shoals Road

Commercial Recommendations

- Rural commercial nodes:
- East Maiden Road/Buffalo Shoals Road
- East Bandys Road/Buffalo Shoals Road

Commercial appearance and design standards:

- Landscaped areas along road frontage
- Limitation on signs
- Interconnectivity of sites – limits driveways

Residential Rezoning

- Proactive rezoning of 71% of district:
- 58% proposed R-1 (no manufactured homes)
- 13% proposed R-3 (doublewides and stick-built homes – no singlewides)

Transportation Recommendations

- Address dangerous roads and intersections such as Buffalo Shoals and E./W. Bandys Cross Roads
- Reduce speed limits on East Maiden Road and Balls Creek Road
- Widen roads for bicyclists
- Driveway standards for major roads: 12 feet wide for first 20 feet with minimum 3-foot turn radii
- Turn lanes for new construction of schools

Community Facilities & Public Services Recommendations

- Revisit EMS study for consideration of EMS base in area
- Priority list of water extensions in area:
- Buffalo Shoals Road south to Hwy. 16
- Balls Creek Road south to Hwy. 16
- Hwy. 16 to Abernethy Center
- Balls Creek Elementary School as community resource expand role for recreational options

Natural Resources Recommendations

- 15% open space requirement for new subdivisions
- Anderson Mtn. Protection District:
- 2-acre lot sizes above 1100-foot elevation
- Lot clearing limits based on slope
- Environmentally sensitive design

-Architecturally-compatible building materials

Cultural Resources Recommendations

- Increase public education of historic sites in area, such as religious campgrounds
- Map cultural sites so new development preserves heritage

Public Review of Draft Plan

- Seventeen (17) citizens attended community meeting in October 2002 to review draft plan
- Comments received:
- Add'l R-1 zoning for the Anderson Mtn. area, around Woodland Oaks subdivision and the Fox Dairy/Love Road area

Board of Commissioners Review of Plan

- One-on-one meetings with Board of Commissioners in February 2003
- Changed density in northeast section where waterlines are located from two-acre to one-acre lot sizes
- Did not change density along waterlines on Water Plant Road and E. Maiden Road due to road frontage already developed
- Driveway standards added for major roads
- Reduction in speed limit along Balls Creek Road

Planning Board Review of Plan

- Joint work session with committee in April 2003:
- Include Little Mtn. Road in road widening requests
- Provide consistent corridor of R-1 along Hwy. 16 on southern end where there is existing R-1 zoning

Planning Board Public Hearing

- Hearing conducted May 19, 2003
- 2 citizens spoke:
- Concern over cost of keeping zoning permits active in order to be grandfathered due to R-1 zoning changes
- 100-foot setbacks along collector roads
- Consideration of minor amendment to residential density map (Map 5):
- reduce density from .75-acre lot sizes to one-acre lot size along Hwy. 16 between Balls Creek Road and Bethany Church Road
- public water not available in immediate future
- Reviewed "island" of R-2 south of Hwy. 16 and east of Buffalo Shoals Road
- Compared to Riverbend Road area in St. Stephens/Oxford SAP
- Acreage in Balls Creek = 1,981 acres as compared to 1,027 acres in St. Stephens/Oxford area
- Approximately 100 manufactured homes in Balls Creek area with very few in St. Stephens/Oxford area
- Property highly developed as compared to St. Stephens/Oxford area
- Planning Board recommended plan with following comments:
- Amended residential density map (Map 5) to allow one-acre lot sizes along Hwy. 16 between Balls Creek Road and Bethany Church Road
- Did not change zoning amendment map due to difference in character between this area and St. Stephens/Oxford SAP

Mr. Dalton thanked staff and members of the Balls Creek SAP Committee.

County Planner Mary K. George said the Planning Commission held a public hearing on May 19, 2003, on the plan and two citizens spoke.

Ms. George reviewed the recommended changes from the Planning Commission and they are included in the following proposed plan.

After a brief discussion, Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

There being no one wishing to speak, Chair Barnes closed the public hearing.

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Commissioner Beatty made a motion to adopt the following Balls Creek Small Area Plan. The motion carried unanimously.

Balls Creek Small Area Plan

Recommended by the Balls Creek SAP Committee - April 7, 2003

Recommended by the Catawba County Planning Board - May 19, 2003

Recommended by the Catawba County Board of Commissioners - June 16, 2003

Plan Participants

CATAWBA COUNTY BOARD OF COMMISSIONERS

Kitty W. Barnes, *Chair*

Dan A. Hunsucker, *Vice-Chair*

Glenn E. Barger

Barbara G. Beatty

Lynn M. Lail

BALLS CREEK SMALL AREA PLAN COMMITTEE

Vance Dalton, Jr., *Chair*

Chad Edward "Eddie" Barringer

Paul A. Beatty, Jr., *Planning Board Liaison*

Philip Beard

Robert F. "Robbie" Bennett

Robert A. Crouch

Michael Isenhour

Jerry L. McCombs

Janice S. Morrow

Dr. Eric Shook

Nancy B. Smyre

Stanley Stewart

Nancy Jo Teague

CATAWBA COUNTY PLANNING BOARD

Ray Von Caldwell, *Chair*

Steve Von Drehle, *Vice Chair*

Anne B. Barrier

Paul A. Beatty, Jr.

Charles F. Connor, III

Aaron King

William "Rusty" Lutz

Michael C. Miller

Edward C. Neill

Clifford D. Isaac, *alternate*

Debbie Pitts, *alternate*

Dr. Eric Shook, *alternate*

CATAWBA COUNTY PLANNING STAFF

Jacky Eubanks, Director of Planning and Community Development

Mary George, County Planner

Rich Hoffman, Assistant County Planner

OTHER PARTICIPANTS, SPECIAL THANKS

Herbert Judon, Charlotte Area Transit System

Linh Nguyen, NC Department of Transportation

Technical Assistance Provided By: Western Piedmont Council of Governments

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INTRODUCTION

BACKGROUND

Purpose

The concept of conducting small area plans for Catawba County was one of sixteen growth strategies resulting from the County's long-range Strategic Growth Plan (1999). The Growth Plan stated that the Small Area Plans "would explore general development patterns and trends and evaluate public service/facility deficiencies needing attention." The document further stated that the plans should also "include conceptual sketch plans based upon appropriate land use and zoning concepts and be used for consideration for future zoning changes and subdivision standards."

Through the development of the small area plan, a committee would assess their area's current quality of life and sustainability on issues such as traffic congestion, residential development patterns, water quality, library service levels, utility capacities and school facilities. Upon reviewing these issues, the committee then would recommend measures for improvement. Specifically, the Small Area Planning Committee was asked to discuss and develop goals and action statements for the following issues: 1) economic development; 2) natural resources; 3) cultural resources; 4) community facilities and public services; 5) housing; 6) land use and community design; and 7) transportation. The plan would then include implementation strategies for the goals and action statements, whether it is through ordinance or policy amendments, modified capital improvement plans, or coordination with other agencies to complete specific tasks.

Process

The process for developing the small area plan was a grassroots effort that began with the appointment of the Balls Creek Small Area Planning (BCSAP) Committee in November 2000 by the Board of Commissioners. Thirteen committee members were interested citizens who live or own land in the Small Area Plan boundary and volunteered their time to develop a small area plan for their community. The committee also consisted of a Planning Board member who served as liaison to the Board. The Committee held its first meeting in February 2001. The County Planning staff and the Western Piedmont Council of Governments educated and assisted the committee in the development of their individual plan. During the process of developing the plan, the Committee solicited input from citizens in the planning area through a Community Input Meeting held in July 2001. At this meeting, citizens were asked how they saw their community developing in the future using a 10 to 20 year planning period. Twenty-eight residents participated in this meeting held at the Balls Creek Elementary School. Results from this Community Input Meeting are provided in Appendix A. The committee used this input in the development of the plan's guiding principles and recommendations. Upon completion of a draft plan, the committee sponsored another public meeting on October 1, 2002, which also was held at the Balls Creek Elementary School. At this meeting, the Plan's maps and recommendations were presented to the community. Input from the seventeen residents who participated at this meeting was considered by the committee in amending the draft plan.

When the committee's recommendations were complete, their final document was presented to the Planning Board and Board of Commissioners for review and consideration for adoption. Presentation to these Boards was through a public hearing process, where the public was invited to express its comments on the proposed plan. The committee and the Planning Board held a joint work session on April 28, 2003 to review the plan recommendations in detail. The committee then presented the final document to the Planning Board at a public hearing held on May 19, 2003. Upon

hearing citizens' comments at the meeting, the Planning Board recommended the plan to the Board of Commissioners with an amendment to the residential density along Hwy. 16 between Balls Creek Road and Bethany Church Road to one-acre lot sizes.

The Board of Commissioners reviewed the plan during one-on-one meetings with representatives of the committee during February 2003. The Board of Commissioners then conducted its public hearing and unanimously adopted the plan at its June 16, 2003 meeting.

Over the next five years issues may arise that have not been addressed in this document. Since the plan is intended to be an active document, it must be capable of adapting to changes and new challenges. The BCSAP Committee recommends reviewing the plan every five years, or as conditions change. Amendments to the Plan have a potential impact on all residents and businesses in the Balls Creek area and therefore should be treated in a manner that would allow for public input, through notice and hearings, during the amendment procedure.

STUDY AREA

The Balls Creek Small Area Plan (BCSAP) study boundary follows the Maiden and Newton Extraterritorial Jurisdiction (ETJ) boundaries to the west; NC Highway 10 on the north; Murrays Mill Road/Buffalo Shoals Road to the east; NC Highway 16 south of Buffalo Shoals Road to the Catawba/Lincoln County line on the east and then follows the County line west to the Maiden ETJ boundary. The Balls Creek SAP study area encompasses 30,802 acres, including land in dedicated rights-of-way.

See *Map 1, Balls Creek SAP Boundary*.

HISTORICAL CONTEXT

Within decades after Adam Sherrill crossed the Catawba in the 1740s, white pioneers began settling the land that was to become Catawba County. Mostly these men and women were engaged in farming, drawn to the area by cheap land and abundant opportunities for farming. By the 1770s between 400 and 500 families were estimated to have settled the land west of the Catawba River, according to reports Governor William Tryon sent back to London.

Settlement continued throughout the 18th and into the 19th centuries, surviving the conflicts caused by the Civil War and its aftermath. Towns grew but rural living and farming predominated throughout the 19th century and into the first decades of the 20th century, even as manufacturing began to make its presence felt in the firsts decades of the previous century.

Present day Balls Creek reflects the largely agricultural heritage of the community. Nearly 28% of the land in the Balls Creek area is dedicated to farming with almost 8,000 acres still farmed today; more than 50 people are actively engaged in farming and livestock production. Residents still identify churches as significant contributors to the community, and Murrays Mill Pond, the Mill itself and Anderson Mountain are community landmarks that residents are committed to protecting and preserving.

COMMUNITY PROFILE

ASSETS AND KEY ISSUES

During the July 2001 community meeting, Balls Creek residents participated in small group discussions to identify their likes, dislikes and future visions of the community. As a result of the discussions, the committee identified broad categories of assets and key issues to direct their work. In the following sections of the report, more specific comments from the community meeting comprise the guiding principles of each topic.

Community Assets

- Rural setting of the community
 - Open space and farmland
 - Quiet and clean place to live
 - Centrally located to cities and towns
 - Churches and friendly neighbors
- Cultural heritage
- Public services
 - Good schools

- Fire department
- Low crime

Key Issues

- Concern about the quality of leadership and public policy
- Maintaining high quality of schools in face of overcrowding
- Controlling residential growth/density and balancing growth with rural character
- Traffic congestion
- Increasing availability of public water

MAJOR POINTS OF REFERENCE

The Balls Creek Small Area Plan encompasses 30,802 acres, over one-fourth of which is still used for agricultural purposes. The major land feature is Anderson Mountain, the second highest ridge in Catawba County at 1,542 feet, behind Baker's Mountain at 1,780. Anderson Mountain is located at the southeast corner of the Balls Creek study area, near the intersection of NC Highway 16 and NC Highway 150. Other prominent geographic features in the Balls Creek area include Balls Creek and Murrays Mill Pond, and Maiden Creek and the Maiden Reservoir.

DEMOGRAPHIC PROFILE

The Balls Creek area experienced a significant population growth from 1990 to 2000. The number of people residing in the area grew at a rate of 26.5%. The population in 1990 for the area was 7,920 while the 2000 Census indicated a population of 10,778, an increase of 2,858 persons (see chart below). The growth rate for the entire county was 19.7%, somewhat less than the growth rate of the study area. The study area's net gain of 2,858 persons represented 12% of the total County population increase of 23,273.

Balls Creek Small Area Plan, Study Area Growth: 1990 to 2000				
Year	1990	2000	Net Change	% Change
Persons	7,920	10,778	2,858	26.5
Households	2,913	4,103	1,190	40.9
Persons/Household	2.72	2.63	-0.09	-3.3

Source: US Census, 1990, and 2000; compiled by WPCOG Data Center, May 2002.

The number of households grew significantly faster than the number of persons in the study area, resulting in a lower average of persons per household. This trend is consistent with county, state and national trends, all indicating a lower number of persons per household.

Catawba County Population Growth: 1990 to 2000				
Year	1990	2000	Net Change	% Change
Persons	118,412	141,685	23,273	19.7
Households	45,700	55,533	9,833	21.5
Persons/Household	2.59	2.55	-0.04	-1.5

Source: US Census, 1990, and 2000; Catawba County GIS, 2000; as compiled by WPCOG Data Center, May 2002.

The Balls Creek study area is comprised of portions of Census Tracts 114 and 116. See *Map 2, Balls Creek SAP Census Tracts*. The remaining demographic information is broken down by the Balls Creek SAP, Census Tracts 114 and 116, and Catawba County.

The population in the study area, as well as that of Catawba County, is predominately white. Hispanics and "other," which most likely includes Asians such as Hmong, outnumber the African-American population.

Race and Ethnicity, 2000				
Place	White	Black	Other	Hispanic (any race)

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Balls Creek SAP	92.8%	2.8%	4.4%	3.5%
Census Tract 114	87.2%	7.9%	4.9%	3.1%
Census Tract 116	91.1%	4.3%	4.6%	4.0%
Catawba County	85.0%	8.4%	6.6%	5.6%

Source: US Census Bureau, 2000; WPCOG Data Center 2002.

Residents ranging in age from 19 to 64 comprise the largest population group of residents in the study area, Census Tracts 114 and 116, and Catawba County.

<i>Age of Population, 2000</i>			
<i>Place</i>	Persons Age 18 and under (% of all persons)	Persons Age 19 to 64 (% of all persons)	Persons Age 65 and older (% of all persons)
Balls Creek SAP	2,665 (24.7%)	6,820 (63.3%)	1,293 (12.0%)
Census Tract 114	1,769 (24.5%)	4,413 (61.0%)	1,046 (14.5%)
Census Tract 116	2,150 (24.1%)	5,840 (65.4%)	939 (10.5%)
Catawba County	34,392 (24.3%)	89,868 (63.4%)	17,425 (12.3%)

Source: US Census Bureau, 2000; WPCOG Data Center 2002.

Between 1985 and 1990 60% of Balls Creek residents remained in the same home compared to 55.1% in Catawba County. However, during that same time period, Balls Creek experienced 13.3% in-migration, which is slightly less than to the 16.1% in-migration experienced across Catawba County.

<i>Change in Housing and Migration</i>		
<i>Place</i>	% of Persons living in the same house between 1985 and 1990	In-migration 1985 and 1990 (% of population)
Balls Creek SAP	60.0%	1,056 (13.3%)
Census Tract 114	63.2%	732 (12.1%)
Census Tract 116	58.4%	966 (13.9%)
Catawba County	55.1%	19,027 (16.1%)

Note: In-migration refers to those persons that moved into the listed place from another MSA between 1985 and 1990.

Source: US Census Bureau, 1990.

In 1990 the average commute time to work for Balls Creek residents was 19.3 minutes, which is lower than the County average of 21.6 minutes.

<i>Commuting Time to Work, 1990</i>		
<i>Place</i>	Average Work Commute Time	% of Workers commuting over 40 minutes to work
Balls Creek SAP	19.3 minutes	9.0%
Census Tract 114	19.9 minutes	9.7%
Census Tract 116	19.7 minutes	9.4%
Catawba County	21.6 minutes	12.2%

Source: US Census Bureau, 1990.

Balls Creek had a higher percentage of workers employed outside of Catawba County than the County as a whole. This may be due to the number of residents who commuting to the Charlotte area for work.

<i>Place of Work, 1990</i>	
<i>Place</i>	% of Workers Employed Outside County of Residence
Balls Creek SAP	15.0%
Census Tract 114	11.4%
Census Tract 116	19.3%
Catawba County	11.9%
Hickory-Morganton MSA	21.4%

Source: US Census Bureau, 1990.

In 1990 (the most recent year for which commuting data is available), 11.1% of Balls Creek residents were employed in professional occupations compared to 17.6% in Catawba County. Employment in service and professional support occupations showed a small difference between Balls Creek (31%) and Catawba County (35.6%). Catawba County as a whole had more workers employed in manufacturing occupations (45.8%), although Balls Creek had a higher percentage of workers employed in manufacturing occupations (56.8%). Farming occupations, near 1%, were low for both Balls Creek and Catawba County.

<i>Employment, 1990</i>				
Place	% Employed in Professions	% Employed in Service & Prof. Support	% Employed in Manufacturing	% Employed in Farming
Balls Creek SAP	11.1%	31.0%	56.8%	1.1%
Census Tract 114	10.7%	28.2%	59.5%	1.6%
Census Tract 116	11.9%	32.4%	54.9%	0.8%
Catawba County	17.6%	35.6%	45.8%	1.0%

Source: US Census Bureau, 1990.

Household income data from 1989 indicates a lower median household income in Balls Creek than in Catawba County. In the County as a whole, a higher percentage of household incomes over \$60,000 were noted in the 1990 Census.

<i>Household Income, 1989</i>			
Place	1989 Estimated Median Household Income	% of 1989 Households with Incomes Below \$10,000	% of 1989 Household Incomes over \$60,000
Balls Creek SAP	\$28,385	14.3%	6.2%
Census Tract 114	\$31,076	12.2%	7.4%
Census Tract 116	\$27,640	15.2%	5.5%
Catawba County	\$31,212	13.0%	15.7%

Source: US Census Bureau, 1990.

DEMOGRAPHIC PROJECTIONS

If the long-term trend of increasing job demand continues in Catawba County, the population in the Balls Creek area is projected to continue increasing at a substantial rate. By 2015 the population of Balls Creek area could exceed 14,000 persons. The trend of fewer people per household is expected to continue.

Balls Creek Small Area Plan, Projected Study Area Growth: 2000 to 2015						
Year	2000	2005	2010	2015	Growth 2000 to 2015	% Change
Persons	10,778	11,964	12,958	14,115	3,337	31.0
Households	4,103	4,577	5,003	5,492	1,389	33.9
Persons/Household	2.63	2.61	2.59	2.57	-0.06	-2.3

Source: WPCOG Data Center, May 2002.

This significant population growth for the Balls Creek area is predicated on growth rates that are more than 31% for the area. Future population growth within the Balls Creek Area Plan boundary will be largely affected by the availability of public water and sewer and the County subdivision policy restricting development in school districts at or near 110% of their school capacity. If current subdivision policies remain in place, population growth will be limited in part by pre-existing or potential small lot development. However, if County policies on school capacities change, or if multi-family or new residential subdivision growth is stimulated by the extension of water or sewer services, the potential growth will increase significantly. These population projections would then need to be revised or updated extensively.

LAND USE AND COMMUNITY DESIGN

CURRENT CONDITIONS AND TRENDSCURRENT LAND USE

Residential uses and open space occupy the vast majority of land in the Balls Creek study area. Accordingly, most parcels are zoned R-1, R-2 and R-3 with the bulk of the area falling into the R-2 district. The R-2 zoning district is intended to accommodate low density residential development, agriculture, and the necessary governmental and support services in the more rural portions of the County. It permits modular and site-built homes, single-wide, and double-wide manufactured homes. It also includes bona fide farms. (See *Map 3, Balls Creek SAP Current Land Uses* and *Map 4, Balls Creek SAP Current Zoning*.)

Commercial activity is sparse. Scattered businesses exist along Highway 16 as well as at the intersections of Claremont Road/Mount Olive Church Road, Bandys Cross Road/Buffalo Shoals Road and at East Maiden Road/Anderson Mountain Road. The commercial areas are primarily zoned C-2, which allows regional type businesses. Fewer commercial parcels are zoned C-1, which permits community service type businesses. The few parcels zoned C-3, previously non-conforming businesses, are not allowed to expand their land use.

Industrial and office-institutional uses within the study area are limited at this time. A lumberyard and frame shop are located off Prison Camp Road. Another frame shop is located on Walter Road. A furniture manufacturer is on Claremont Road, a salvage yard is on NC Highway 16 and a corrugated metal facility is on NC Highway 10. The only office-institutional zoned land, Burke Christian Tours, is located off NC Highway 16.

Anderson Mountain lies in the southeastern portion of the study area. Development on Anderson Mountain consists of communication towers, manufactured homes and a horse farm. New single-family residential development is encroaching at the base of the mountain. Murray's Mill and associated pond are located near the northeast portion of the study area boundary.

Land uses in much of the Balls Creek area are subject to State-mandated watershed regulations. Three watersheds are found in Balls Creek: the Maiden and Allen Creek watersheds, both of which have WS-II Critical Areas, which require one lot per two acres, and WS-II Protected Areas, which require one lot per one acre. These watersheds are located on either side of Water Plant Road and stretch east and north to NC Highway 16 and the Balls Creek-Little Mountain Road intersection. A portion of a third watershed drains to Lake Norman and includes a WS-IV Protected Area, which requires one lot per one-half acre. This area is located in the northern and eastern portion of the Balls Creek study area.

Since the Town of Maiden has experienced serious water losses from its reservoir on Maiden Creek, the Town has entered into contractual relations with the City of Hickory to provide water to Town residents. Once the necessary water line connections are made, the Maiden water plant and reservoir will no longer be used. The Town could then petition the state to have the Maiden and Allen Creek watersheds removed from the list of water-supply watersheds protected under state law. If that request succeeds, the state-mandated watershed restrictions on density could be removed and more dense development allowed if County zoning is revised to permit increased density.

Land Use Distribution

The Balls Creek SAP encompasses 30,802 acres of land (including rights-of-way), but 28,979 if R-O-W is excluded. Of these 28,979 acres, over 20% are entirely vacant and another 66% are in large tracts, which could be subdivided.

	Total Zoned Acreage		
	Total Acreage	Total Vacant Acreage	% Vacant
Balls Creek SAP	28,979	6,133	21%

Land use in the study area consists of industrial, commercial, office-institutional and residential uses. Industrial zoning occupies the most acreage of non-residential zoned land, though commercial zoned land has the greatest percent of vacant land.

	Acreage Zoned Non-Residential		
	Total Acreage	Total Vacant Acreage	% Vacant
Industrial	171	8	5%
Commercial	64	9	14%
Office-Institutional	7	0	0%

Total vacant acreage zoned non-residential reflects only parcels without a structure. Some parcels may have a structure that is unoccupied, which would increase the amount of vacant space.

Residential uses occupy the greatest percentage of land in the study area. Yet, over 52% of the residentially zoned land is vacant. Over 6,000 acres are entirely vacant while approximately 17,600 acres are in lots of four acres or more that could be subdivided into two lots. Assuming that 85% of the total vacant land available for residential use were developed, the Balls Creek area could see an additional 12,687 acres developed for residential purposes.

	Acreage Zoned Residential		
	Total Acreage	Total Vacant Acreage	% Vacant
Balls Creek SAP	28,549	14,926	52%

The land use statistics suggest that a substantial amount of additional development could occur in the Balls Creek area.

Site Development Patterns and Land Design Trends

Historically, rural and agricultural uses predominated in Balls Creek. Active farming in other parts of Catawba County is becoming sparse; however, an estimated 197 land parcels or nearly 8,000 acres (7,992 acres) are dedicated to farming in Balls Creek. An estimated 28 persons in Balls Creek are engaged in commodity production while another 30 produce livestock.

Gradually, housing developments are taking over the open space that residents value. The greatest residential growth has occurred in the northern and western portion of the study area toward Maiden and Newton. Generally, residential activity has consisted of a mixture of manufactured home communities and site-built subdivisions. A doublewide manufactured home subdivision of 130 homes was developed on Anderson Mountain in the 1990s.

Commercial uses have developed primarily along Highway 16 and at several major intersections in the study area. However, large strip centers and big box retailers have not yet emerged in Balls Creek. Maiden, Newton and Hickory offer larger shopping alternatives for Balls Creek residents.

Industrial activity to present has consisted mainly of established uses. While the parcels may have changed owners or uses over the years, the industrial activity has primarily been confined to the same parcels of land. Several newer industrial uses have been attracted to the western portion of the study area, closer to US 321-Business.

Both commercial and industrial activity has been limited in the Balls Creek study area due to the lack of infrastructure.

GUIDING PRINCIPLES

RESIDENTIAL

- Balance growth with the community's rural character
- Organize and plan residential development
- Encourage aesthetically pleasing subdivision design
- Provide affordable housing for people in all stages of life
- Reserve open space in new subdivisions
- Maintain the primarily residential character of Balls Creek

COMMERCIAL

- Limit commercial growth
- Focus on quality, community-oriented businesses
- Require more aesthetically pleasing designs from commercial uses
- Buffer residential areas from commercial uses
- Prepare for potential commercial growth at the three commercial nodes along NC Highway 16

OFFICE-INSTITUTIONAL

- Focus office-institutional uses in the Highway 16 corridor
- As with commercial uses, require more aesthetically pleasing designs and buffers from residential areas

INDUSTRIAL

- Limit industrial growth within the study area

OPEN SPACE

- Preserve open space, pastures and scenic views
- Support and encourage agricultural uses
- Protect natural resources

PLAN RECOMMENDATIONS

RESIDENTIAL

- Designate two areas for higher density residential uses, as shown on *Map 5, Balls Creek SAP Future Land Use and Residential Density Recommendations*.
- A “Village” area, indicated on *Map 5*, is proposed for multi-family and mixed-use development.
 - Multi-family homes should be permitted in the Villages area, and might include a mixture of apartments, patio homes, cluster developments and zero lot line developments. Multi-family homes should adhere to the following design concepts:
 - Limited access/internal access that is landscaped;
 - 30 foot landscaped buffer along road frontages;
 - Limited signage, such as monument style sign that is low to the ground.
 - Internal open space is proposed in the “Village,” either for passive or active use, at a rate of 5% of the property or 10,000 square feet, whichever is greater. A community building, bicycle path, tennis courts, etc. could be included; the 30-foot landscaped road frontage buffer, however, may not be included in this calculation.
- The second area of high-density residential development for the Balls Creek community (as shown on *Map 5*). This area should adhere to the following design concepts:
 - Single-family homes should be developed at a maximum density of 1 unit per $\frac{3}{4}$ acre.
 - Require subdivisions in the high-density areas to preserve or create a 30 foot naturalized or landscaped buffer along road frontage and around the perimeter of the subdivision. Developers are especially encouraged to preserve trees in common areas as well as in these buffered areas.
- Designate two areas for medium-density residential uses, as shown on *Map 5*. Residential development in these areas should adhere to the following design concepts:
 - Single-family homes should be developed at a maximum density of 1 unit per acre.
 - Require subdivisions in the medium-density areas to preserve or create a 30 foot naturalized or landscaped buffer along road frontage and around the perimeter of the subdivision. Developers are especially encouraged to preserve trees in common areas as well as in these buffered areas.
- The area proposed for low-density residential is located in the remaining area of the Balls Creek SAP, those portions east of Providence Mill Road/Balls Creek Road, as shown on *Map 5*. Residential development in this area should adhere to the following design concepts:
 - Single-family homes should be developed at a maximum density of 1 unit per 2 acres.
- Residential subdivisions should incorporate the following additional design criteria:
 - Landscaping/buffering – perimeter, entry, 30 foot buffer on road frontage and around perimeter of subdivision; the purpose of this buffer is to help preserve the rural character of the Balls Creek community

- Clustering is an option encouraged for density averaging
- Subdivision signs
- Designs should encourage the preservation of existing trees
- Provide owners of historic properties with information regarding resources to preserve historic sites – Murray’s Mill, Balls Creek Campground, David Franklin Propst House, located at Providence Mill and Campbell Roads

COMMERCIAL

- Businesses should adhere to the following appearance and design criteria:
 - landscaped areas along road frontage
 - limitation on size of signs
 - driveway cuts – interconnectivity
- The Village area, as proposed above (see “Residential Recommendations,” p. 15, and *Map 5*), will allow a mixture of residential, commercial, office and institutional uses. It is especially designed to encourage multi-family residential uses with open space and landscaped internal access.
- Neighborhood commercial nodes should be designated at the following intersections:
 - Bethany Church Road and NC Hwy. 16
 - Balls Creek Road and NC Hwy. 16
 - Buffalo Shoals Road and NC Hwy. 16
 - Bethany Church Road and NC Hwy. 10
 - Balls Creek Road and NC Hwy. 10

See Map 5, Balls Creek SAP Future Land Use and Residential Density Recommendations.

- Neighborhood commercial nodes should include highway business type uses with a site area of 10 to 25 acres and maximum gross leasable area of 50,000 square feet per lot.
- Rural commercial nodes should be designated at the following intersections:
 - East Maiden Road and Buffalo Shoals Road
 - East Bandys Cross Road and Buffalo Shoals Road

See Map 5, Balls Creek SAP Future Land Use and Residential Density Recommendations.

- Rural commercial nodes should serve residents of the immediate neighborhood with a maximum site area of 10 acres and a maximum gross leasable area of 15,000 square feet per lot.

OFFICE-INSTITUTIONAL

- Pursue a high quality business park along the Highway 16 corridor near Highway 150
- Include office and institutional uses in Village area as well as in Neighborhood and Rural Commercial nodes

INDUSTRIAL

- Industrial uses should be focused in the US 321 Business Corridor between Newton and Maiden and on adjacent properties. No additional future industrial zoning is suggested for the Balls Creek Community.

OPEN SPACE

- Assist property owners of rural farms in preserving those uses by providing information on conservation easements and tax credit measures.
- Develop a mechanism for preservation of open space resources by creating voluntary agricultural districts and conservation easements or by purchasing development rights and buffers in floodplains.
- Require subdivisions in the high-and medium-density areas (1 lot per $\frac{3}{4}$ acre and 1 lot per 1 acre) to preserve or create a 30 foot naturalized or landscaped buffer along road frontage and around the perimeter of the subdivision. Developers are especially encouraged to preserve trees in common areas as well as in these buffered areas.
- Open space of 15% of total acreage is required in single-family subdivisions (excluding those in the Village area), which may be located within the development as community-use, open-space along the perimeters of the development as well as a required 30-foot buffer along road frontage. (Existing vegetation is allowed to provide this open-space buffer if deemed adequate.)

TRANSPORTATION

CURRENT CONDITIONS AND TRENDS

ROADS & HIGHWAYS

Transportation systems within the Balls Creek study area are primarily planned by the Hickory-Newton-Conover Metropolitan Planning Organization (MPO) and the Catawba County Thoroughfare Plan. Though various areas of Catawba County have experienced significant growth in retail, commercial and residential development with consequential increases in traffic, growth has been slower in Balls Creek as evidenced by more moderate traffic increases.

The North Carolina Department of Transportation (NCDOT) State Route system serves the Balls Creek study area with the exception of North Carolina Highway 16 and North Carolina Highway 10. NC Highway 16 is the major thoroughfare serving the Balls Creek community. NC Highway 10 borders the study area. The following table illustrates the higher volume traffic counts in the study area.

	NC Hwy 16 NW of Buffalo Shoals Rd	Providence Mill Rd SW of NC Hwy 16	NC Hwy 16 SE of Coley Fish Pond Rd	NC Hwy 10 W of Bethany Church Rd
1988	5,900 VPD	N/A	8,700 VPD	N/A
1994	8,500 VPD	N/A	N/A	6,000 VPD
1999	7,100 VPD	4,300 VPD	9,000 VPD	6,400 VPD
2025	N/A	N/A	15,700 VPD	N/A

Source: NCDOT ADT maps

VPD = Vehicles Per Day

To reduce traffic congestion and adequately provide for future travel demands, the MPO adopted the Hickory-Newton-Conover Urban Area Transportation Plan in 1986 and updated the plan in 1996. The most current update, the 2025 Hickory-Newton-Conover Urban Area Transportation Plan, includes two projects affecting the Balls Creek study area. NC Highway 16 is scheduled to be a four lane divided road from Tower Road to Balls Creek Road and a five lane road with curb and gutter from Balls Creek Road to Claremont Road. This is a funded project, scheduled in three phases, on the State Transportation Improvement Plan. Right-of-way acquisition is scheduled to begin in 2002 and construction in 2004 on the first phase from Caleb Setzer Road to Claremont Road. Phase two, from Claremont Road to Balls Creek Road, and phase three, from Balls Creek Road to Tower Road, are scheduled for right-of-way acquisition to begin beyond 2008. The Thoroughfare Plan also recommends upgrading St. James Church Road to twenty-two feet with two foot paved shoulders.

Catawba County has an adopted thoroughfare plan that includes the Balls Creek study area. The underlying concept of the County Thoroughfare Plan is to provide a functional system of streets, roads and highways that permit direct, efficient and safe travel. Catawba County began a revision of the Plan in June 2001 with an anticipated completion date in the summer of 2003. The Plan will include recommendations to widen NC Hwy. 10 to twenty-four feet and to widen Balls Creek Road, East Maiden Road and Water Plant Road from twenty to twenty-four feet. Special legislation allows Catawba County to acquire right-of-way for future thoroughfares. *Map 6, Balls Creek SAP Future Transportation Recommendations*, illustrates the current and planned transportation system in the Balls Creek area.

PEDESTRIAN SYSTEM

Presently, Catawba County does not regulate or require sidewalk construction in new developments. In general, Balls Creek lacks a pedestrian system with sidewalk connections between residential areas. However, it is now policy of the MPO and NCDOT to evaluate any new road construction project for potential pedestrian needs (i.e. sidewalks and crossover) and bicycle accommodations.

BICYCLE SYSTEM

The Balls Creek study area does not currently have an integrated system of bicycle trails. NCDOT has funded a Bicycle Route Map and signing project that began in summer 2001 with expected completion in 2003. In compliance with NCDOT's policy, the NC Highway 16 and St. John's Church Road widening projects should be evaluated for their potential to provide bicycle lanes.

TRANSIT SYSTEM

The Piedmont Wagon Transit System (PWTS) offers limited transit service to Balls Creek residents. Five days per week vans are available through the Piedmont Wagon to transport senior citizens and disabled residents in the Balls Creek area. A Rural General Public Route runs two days per week linking Newton and Sherrills Ford via the Balls Creek area with the urban system. Plans are underway to expand this service in terms of frequency and service areas as well as by adding bicycle racks to the minibus.

PASSENGER RAIL

The NCDOT has determined that the next major expansion of passenger rail service in the State will be in Western North Carolina. Plans are underway to initiate service between Raleigh and Asheville with a stop in downtown Hickory. A portion of the former Hickory depot, now entirely occupied by a restaurant, will return to a passenger waiting area. This service is expected to be operational by 2005.

GUIDING PRINCIPLES

ROADS & HIGHWAYS

- Alleviate traffic safety problems and congestion on major highways
- Eliminate hazardous road configurations at area schools and create a smoother traffic flow for both parents dropping off students, student drivers and other through traffic
- Anticipate and plan for growth that will result from road improvements and widening
- Minimize speeding
- Preserve good roads, areas of low traffic and scenic drives

PEDESTRIAN SYSTEM

- Provide safe alternatives for pedestrians
- Protect children walking to school

BICYCLE SYSTEM

- Provide safe options for bicyclists

TRANSIT SYSTEM

- Increase opportunities to link with existing transit routes

PASSENGER RAIL

- Study connections, via the Piedmont Wagon Transit System, with the Western North Carolina Passenger Rail Service

PLAN RECOMMENDATIONS

Catawba County does not maintain roads and therefore the following recommendations will be forwarded to NCDOT or

used in area wide thoroughfare planning.

ROADS & HIGHWAYS

Request from NCDOT District Office:

- Establish community gateways at the following intersections:
 - Balls Creek Road and NC Highway 16
 - Buffalo Shoals Road and NC Highway 16
- Install traffic signals at:
 - Balls Creek Road and NC Highway 10
 - Install safety device and/or turn lane at Balls Creek Elementary School and East Bandys/West Bandys Cross Roads or High School
- Redesign intersections at:
 - Balls Creek Road and Little Mountain Road
 - Murray's Mill Road/Buffalo Shoals Road and Sherrills Ford Road
 - Buffalo Shoals Road and East Bandys/West Bandys Cross Roads
 - Mount Olive Church Road and Bethany Church Road
- Install warning lights or devices at:
 - Mount Olive Church Road and Claremont Road
 - Little Mountain Road and Buffalo Shoals Road
 - Mount Ruhama Church Road and North Olivers Cross Road
- Reduce the speed limit on:
 - East Maiden Road from Buffalo Shoals Road east to the Balls Creek SAP boundary should be 45 m.p.h.
 - Balls Creek Road from current 45 m.p.h. limit south of Winslow Road to the intersection of Hwy. 16 should be 45 m.p.h.
- Improve the following roads to enhance safety:
 - Straighten curve on North Olivers Cross Road
 - Straighten curve on St. James Church Road at Jack Whitener Road
 - Replace bridge on Love Road
- Evaluate traffic engineering at all existing schools. Turn lanes should be mandatory when new schools are built. Existing schools should be retrofit for turn lanes as budgets allow.
- Evaluate the possibility of establishing a "future setback ordinance" to prevent building on land designed to become future right-of-way for highway widening.

Add to Catawba County Thoroughfare Plan:

- Increase pavement width to the maximum extent feasible on:
 - West Bandys Cross Roads
 - Smyre Farm Road
 - Water Plant Road from Maiden to North Olivers Cross Road
 - North Olivers Cross Road
 - East Maiden Road from the new four-lane NC Highway 16 west to the intersection of Lebanon Road
 - Bethany Church Road
 - Little Mtn. Road
- Explore possible local scenic highway designation for the following roads:
 - Murray's Mill road
 - Buffalo Shoals Road
 - East Maiden Road

County Ordinance amendment:

Establish that all new driveways on the following roads be at least 12 feet wide for the first 20 feet of length with a minimum 3-foot turn radii:

- Hwy. 16
- Hwy. 10
- Buffalo Shoals Road
- Balls Creek Road
- Water Plant Road
- East Maiden Road
- Olivers Cross Road (North & South)
- Providence Mill Road
- Little Mtn. Road
- St. James Church Road
- W. Bandys Cross Road

PEDESTRIAN SYSTEM

- Apply for TEA – 21 enhancement funds to create a walking trail from Bandy's High School to Mill Creek Middle School

BICYCLE SYSTEM

- Increase pavement width to the maximum extent feasible along the following roads for bicycle routes:
 - Mount Olive Church Road
 - Murrays Mill Road
 - Balls Creek Road
 - NC Highway 10 from the intersection of Murrays Mill Road east to Balls Creek Road
 - West Bandys Cross Road
 - Providence Mill Road
 - Smyre Farm Road
 - Bethany Church Road
 - Little Mountain Road
 - East Maiden Road
 - Water Plant Road
 - Buffalo Shoals Road

TRANSIT SYSTEM

- Begin a marketing campaign to publicize existing services offered by the Piedmont Wagon Transit System
- Encourage and promote ridesharing/vanpooling to Charlotte through the Piedmont Wagon and the Charlotte Area Transit Systems

PASSENGER RAIL

- Encourage Piedmont Wagon to schedule trips to coordinate with the Western North Carolina passenger rail service

See Map 6: *Future Transportation Recommendations*

COMMUNITY FACILITIES AND PUBLIC SERVICES

CURRENT CONDITIONS AND TRENDS

SCHOOLS

Most children in the Balls Creek community attend the new Balls Creek Elementary School, a K-5th grade school with a current enrollment of 886 pupils. The capacity of the school is 926 students, which is expected to be reached by 2003, according to the *Catawba County School Growth Estimation Model*, developed by the WPCOG data staff. Based on growth patterns and population increases, the model predicts that Balls Creek Elementary will exceed the 110% capacity threshold by the 2005 school year. Maiden Elementary, which serves some of the residents of the Balls Creek area, is predicted to exceed 110% of capacity by the 2006 school year, if growth in the area continues.

Since Balls Creek serves only students in grades K-5, sixth graders from Balls Creek Elementary currently attend Tuttle Middle School. In fall 2002, Tuttle enrolled 589 students, which exceeds its capacity of 576 students. Tuttle will most likely exceed the 110% of capacity (633 students) in the 2003-04 school year. Besides receiving 6th graders from Balls Creek, Tuttle also receives students from Maiden Elementary. (Building plans under development by the County School system may prevent overcrowding at Tuttle from happening, if the new Maiden High School and a new elementary school in Catawba can be constructed.)

After one year at Tuttle, most middle schoolers attend the new Mill Creek Middle School, located near Bandys High School, for 7th and 8th grade. (Unlike most other school systems in the region which group 6th, 7th and 8th graders in their middle schools, nearly all middle schools in the Catawba County system serve 7th and 8th graders.) In 2002, Mill Creek began the school year with 527 students; its capacity is 770 and that level will not be reached in the near future.

Bandys High School, just east of the Balls Creek Small Area Planning boundary, is the community's high school. With a fall 2002 enrollment of 944, it exceeded its building capacity of 900. It is anticipated that it will exceed 110% of its capacity (990 students) during the 2003-2004 school year.

Balls Creek residents have expressed concerns about crowding in the schools their children attend, especially what appears to be over-crowding at the elementary school.

PARKS AND GREENWAYS

At the present time, no parks or greenways are located within the Balls Creek Small Area. The County's largest park is Riverbend, located at NC Highway 16 and the Catawba River, with over 450 acres of hiking, biking and equestrian trails. Bakers Mountain Park, recently opened, contains nearly 200 acres and is located in the western portion of the County, south of Hickory and I-40. The Elementary School, churches and civic organizations, however, operate some passive and active recreation programs and facilities.

LIBRARIES

Catawba County operates a library system with a central library in Newton, a law library and six branches located in the St. Stephens area, Mountain View, Conover, Claremont, Maiden and Sherrills Ford. The Maiden branch, closest to the Balls Creek community, is open 42 hours, five days a week, closed on Sundays and Mondays. Other Balls Creek residents have access to the central County library in Newton, the Sherrills Ford branch or the new branch library at the Claremont City Hall. All branch libraries provide entertainment and general reference services, basic collections of fiction and non-fiction, and Internet access with several computer terminals for public use.

WATER SERVICE

In the decade of the 1990s, public water service came to the Balls Creek community through efforts of Catawba County and the municipal water suppliers so schools could be provided with plentiful, clean water. Water service reached Tuttle Middle School from the Town of Maiden and was extended from the City of Newton to Balls Creek Elementary, both in the late 1990s. In both these projects, the County partnered with municipal providers by paying for construction of the lines while the municipal water providers agreed to maintain the lines. Revenues are shared between the County and the water providers.

Main water lines currently extend along NC Highway 10 from Newton to the Town of Catawba and south down Balls Creek Road to the Elementary School. A connector line ties this water supply with the NC 10 water line and loops around Yount Road and Mt. Olive Church Road. The Balls Creek water line also goes east on West Bandys Cross Road to the High School, then north on Buffalo Shoals and into the Sherrills Ford community.

In the southwest section of Balls Creek, Maiden has constructed a water line along Water Plant Road from the Town limits to Tuttle Middle School. Maiden is also partnering with the County to construct a water line out East Maiden Road to the Buffalo Shoals intersection. All these water projects have been possible because the cooperative relationship between the County and municipal water providers has extended service from the municipalities to County residents.

Although still in the formative stages, a newly-formed utility discussion group is expected to work together to coordinate County-wide policies on extending water service to additional areas of the County without sufficient water service. Although no immediate plans are being considered for extending water service to other areas of Balls Creek, other than those listed here, public comments by residents have overwhelmingly supported the need for additional water lines.

SEWER SERVICE

Essentially the Balls Creek community is not currently served with public sewer. Newton provides sewer to the Abernethy Center facilities on NC Highway 16 in the area's northwest corner. A significant project is currently under development that will expand sewer service to the northwest corner of the Balls Creek area. The City of Newton is developing a contract with Catawba County to build an additional sewer line down the unnamed creek drainage, north and west of Coley Fish Pond Road to Balls Creek Elementary. This line will provide sewer service to many residents in the area proposed for higher residential development in this *Plan*, the "Village" area and the area north of NC Highway 16 and west of Fox Dairy Road and south of NC Highway 10.

EMERGENCY SERVICES

Law Enforcement

The Catawba County Sheriff's Department serves the Balls Creek study area. The patrol division consists of 26 officers on four shifts. The County jail and court system security are also provided through the Sheriff's Department. The Department also supplies crime prevention, investigations and civil enforcement.

Fire Protection

The Bandys Volunteer Fire Department serves the majority of the Balls Creek community. It provides fire protection to two-thirds of the study area. The Bandys Fire Department has two stations on Buffalo Shoals Road, north at Bandys Crossroads and south at Olivers Crossroad. With 54 volunteers, the department uses two pumpers, three tankers, two brush trucks and one equipment truck. The Bandys Department maintains an insurance rating of 5.

Fire service to the western areas of the Balls Creek area is provided by the Newton Volunteer Fire Department (in the northwest section) and the Maiden Volunteer Fire Department (in the southwest area of Balls Creek). Claremont and Denver Volunteer Fire also serve small portions of the study area.

Emergency Medical Services

The Sherrills Ford and the Newton EMS bases provide Emergency Medical Services to the Balls Creek community. The Sherrills Ford base was recently upgraded to a full crew to decrease response time. Although the County has no immediate plans for future bases in the Balls Creek area, citizens at the Balls Creek SAP Community meeting expressed an interest in locating an EMS base within the area. The County, however, is continuing to study the issue of the appropriate number and location of EMS bases across the entire County.

GUIDING PRINCIPLES

- Balls Creek Elementary School and Tuttle Middle School should continue their standing as "centers of the community."
- Public water service should be expanded into additional areas of the Balls Creek Community.
- The spirit of volunteerism in existing civic organizations should be encouraged as sources of community pride and as providers of recreation options for the community.
- The volunteer fire department's role in protecting citizens and their property and its status as essential to the fabric of the community should be maintained.

PLAN RECOMMENDATIONS

- Balls Creek Elementary School should continue to build on its role as an essential resource for the community.
- The Balls Creek Elementary School should be provided with adequate facilities and resources as population increases and more students attend the school.
- The future residential density recommendations made by the Balls Creek Small Area Planning Committee should be used by school planners for future school facility expansion needs.
- When the proposed land use and housing recommendations suggested by this Committee are approved, the Committee recommends releasing school capacity from limitations currently in effect.

- Explore funding options for construction of school facilities, which may include impact fees.
- Develop a formal, contractual relationship between Catawba County, civic groups and the Catawba County School Board to expand the schools' use as the area's "Community Centers," especially regarding additional recreation options for children and adults.
- Catawba County should revisit the EMS study to see if recent residential development in the Balls Creek area warrants additional consideration for an EMS base in the area, with a special focus on locating such a facility within proximity of the schools.
- Encourage the new cooperative water-providers consortium to provide water to areas set aside for high-density development and other areas based on water quality and quantity needs. A priority list of water extensions would include a line from the Balls Creek Campground south on Buffalo Shoals Road to NC Highway 16 and from Balls Creek Elementary School south on Balls Creek Road to NC Highway 16, then join these lines north along NC 16 to the Abernethy Center. These extensions would provide water to areas recommended for development as "commercial nodes."
- Catawba County should consider the Balls Creek area as an ideal location for a third County park, providing the southeast portion of the County with walking trails, picnic areas and open space for community recreation.

HOUSING

CURRENT CONDITIONS AND TRENDS

Population growth in the Balls Creek area helps explain the increase in the number of housing units in the study area in the past few years. Building permits recorded by Catawba County provide the mechanism for recording the number and kind of housing unit contributing to that growth. The following table shows the total number of building permits issued from 1997 through 2002 by type of home (single-family site-built, multi-family or manufactured home).

Balls Creek SAP Building Permits, 1997-2002			
Year	Single-family Site-built Permits	Single-wide Manufactured Home Permits	Double-wide Manufactured Home Permits
1997	27	42	16
1998	27	30	15
1999	67	33	29
2000	37	22	19
2001	43	13	15
2002	45	8	19
TOTALS:	229	148	113

Source: Catawba County Building Inspections, 2003.

Analysis of this building permit data shows a decreasing percentage of manufactured homes of the total number of homes permitted in the last six years. In 1997 mobile homes made up 68% of total new homes permitted, with site-built homes at 32%. By 2002, however, the percent of mobile homes of total new homes permitted decreased to 37% of the total new homes with stick-built homes reaching 63%. This pattern reflects a similar one which occurred across Catawba County when appearance criteria for manufactured homes went into effect in March 1996.

A windshield survey conducted by planning staff from the Western Piedmont Council of Governments in December 2001 revealed slightly more than 1,000 mobile homes in the Balls Creek community. Of the total of 1,014 manufactured homes in the community, 529 were single-wides while 485 were identified as double-wides. At this time an estimated 4,269 site-built homes were located within the Balls Creek study area.

One major theme to emerge from meetings with the Balls Creek community was the desire to preserve the rural nature of the community. The rural setting of the area, its location and its cultural and historic heritage, were listed as the chief reasons people liked living in Balls Creek. At the same time, concerns about the community included ways to balance growth with the community's rural nature, its farming tradition and the presence of open-space. With these concerns in mind, the SAP Committee sought to devise ways to manage residential development by controlling its

density. Accordingly, the Committee developed density requirements (ranging from $\frac{3}{4}$ acre per housing unit to 1 acre and 2 acres), as described in the Land Use section of this *Plan*.

The Committee also proposes rezonings to keep residential developments in the Balls Creek community more in tune with the patterns of residential housing reflected in recent years. The percentage of stick-built homes increased from 32% in 1997 to 63% in 2002. Since a majority of the 28,979 acres (excluding right-of-way) in Balls Creek SAP is currently zoned R-2, allowing single-family housing, modular housing and single-wide and double-wide mobile homes, the Committee proposes to rezone slightly less than 17,000 acres (58% of the area) to R-1, allowing site-built or modular homes. Another 3,651 acres (13% of the area) are suggested for rezoning to R-3, which allows site-built homes, modular homes and doublewide manufactured homes. This proposed rezoning would apply to 71% of the land within the Balls Creek study area.

GUIDING PRINCIPLES

SINGLE-FAMILY

- Encourage aesthetically-pleasing subdivision design
- Encourage the preservation of open spaces as development increases

MULTI-FAMILY

- Direct multi-family housing to appropriate locations

MANUFACTURED HOMES

- Provide for the location of manufactured housing

RETIREMENT

- Promote low maintenance, alternative housing opportunities for seniors

PLAN RECOMMENDATIONS

ALL RESIDENTIAL USES

- The Balls Creek Small Area Plan Committee recommends the Planning Board and staff investigate the possibility of developing a County-wide minimum housing standard. It should apply to single-family, multi-family housing and rental housing, with standards limiting the number of individuals inhabiting a single dwelling unit.

SINGLE-FAMILY

- Cluster development is encouraged as an option for single-family subdivisions.
- Open space of 15% of total acreage is required in single-family subdivisions, which may be located within the development as community-use, open-space along the perimeters of the development as well as a required 30-foot buffer along road frontage. (Existing vegetation is allowed to provide this open-space buffer if deemed adequate.)
- Three separate densities for single-family housing are proposed: high-density areas ($\frac{3}{4}$ -acres per housing unit), medium-density areas (one-acre tracts per dwelling), and a low-density area which allows densities of 2 acres or greater per dwelling unit. (See *Map 5*).

MULTI-FAMILY

- Multi-family housing of various sorts (apartments, condominiums, town houses, zero-lot line development and cluster development) is proposed for the Village area.

MANUFACTURED HOMES

- Rezone the areas shown on *Map 7*, "*Balls Creek SAP Proposed Zoning Map Amendments*." About 58% of the land in the Balls Creek SAP is proposed for rezoning to R-1 (which allows stick-built or modular homes). Proposed

for rezoning to R-3 (which allows double-wide manufactured homes, modular homes and site-built homes) is another 13% of the land in the Balls Creek SAP area. The basis for this proposed rezoning is to preserve the community's historic character, especially in the Murray's Mill and Balls Creek Campground areas, the rural character of the community with its large farming tracts, scenic views such as along East Maiden Road and more intense mixed and residential uses in the "Village" area of the community. This proposal will also reflect the changing pattern of residential housing in the community as manufactured housing decreased from 68% of new homes in 1997 to 37% in 2002.

- The Committee recommends that single-wide and double-wide mobile homes continue to be allowed in the R-2 residential zoning district. The R-3 zoning district is also recommended to continue, which currently allows stick-built, modular or double-wide manufactured homes.

RETIREMENT

- Options for retirement living are suggested in the Village area where a variety of multi-family housing is proposed. Retirement housing would expand existing retirement housing presently located in this area.

ECONOMIC DEVELOPMENT

CURRENT CONDITIONS AND TRENDS

In Catawba County as a whole, the economy in the last decade has evolved from one dominated by traditional manufacturing, especially the textile, hosiery and furniture industries. The new job scene in Catawba County is one in which manufacturing no longer dominates but shares the number of available jobs with an increasingly lively service sector. During the decade of the 1990s, jobs in manufacturing grew by 6.2% while service sectors jobs grew by 39.7%. While these numbers do not take into account the current recession, they indicate a significant change in the patterns of where workers are employed. Service sector jobs, it should be noted, often pay less than manufacturing jobs and may provide fewer benefits. But they include workers in the health professions, legal services, auto repair, hotels and motels, and engineering, not just the fast food workers we may think of when we hear the term "service sector" jobs.

Most residents of the Balls Creek community, other than those engaged in agriculture, work outside the immediate community. In fact, few commercial or industrial facilities are located within the boundaries of the Balls Creek area. Several industrial sites are located on the western edge of the area, near similar sites along the US 321 Business corridor between Newton and Maiden. In the community input meeting, residents conveyed their concerns that the rural character of the community be maintained and that additional industrial sites not be expanded. The Small Area Committee endorsed these opinions.

Existing commercial uses are located along NC Highway 16 north of the intersection of Bethany Church Road and at the Balls Creek Road-Providence Mill Road intersection with NC 16. The widening of NC 16, currently projected for completion beyond 2010, is expected to provide additional opportunities for expanded shopping and eating for Balls Creek residents.

GUIDING PRINCIPLES

- Facilitate and encourage new, community-focused economic development in the Balls Creek area.
- In the new NC Highway 16 Corridor, encourage limited commercial and office-institutional development which observes development standards in order to provide additional retail opportunities for Balls Creek residents close to home.
- Maintain existing industrial sites as adequate for the needs of this rural community.

PLAN RECOMMENDATIONS

- Business development, including new development along the widened NC Highway 16 Corridor, should observe the following appearance and design criteria:
 - landscaped areas along road frontage,
 - limitation on size of signs,
 - driveway cuts – interconnectivity.

- The Village area, as proposed above (see “Residential Recommendations,” p. 15, and *Map 5*), will allow a mixture of residential, commercial, office and institutional uses. It is especially designed to encourage multi-family residential uses with open space and landscaped internal access
- “Neighborhood” commercial nodes are proposed for these intersections:
 - Bethany Church Road and NC Highway 16
 - Balls Creek Road and NC Highway 16
 - Buffalo Shoals Road and NC Highway 16
 - Bethany Church Road and NC Highway 10
 - Balls Creek Road and Highway 10

These neighborhood commercial nodes should include highway-business type uses with a site area of 10 to 25 acres and maximum gross leasable area of 50,000 square feet per lot.

- “Rural” commercial nodes are suggested at these intersections:
 - East Maiden Road and Buffalo Shoals Road
 - East Bandys Cross Road and Buffalo Shoals Road

These rural commercial nodes should serve residents of the immediate neighborhood with a maximum site area of 10 acres and a maximum gross leasable area of 15,000 square feet per lot.

- Pursue a high-quality, attractive office-institutional business park along the NC 16 Corridor near NC Highway 150.
- Additional industrial sites are not proposed for the Balls Creek Small Area. Existing industrial sites in the US 321-Business Corridor between Newton and Maiden provide adequate industrial sites for the coming decade.

NATURAL/ENVIRONMENTAL RESOURCES

CURRENT CONDITIONS AND TRENDS

Anderson Mountain is the primary natural resource in the Balls Creek community, located at the southeast corner of the study area (see *Map 8, Balls Creek SAP Natural and Cultural Resources*). The Mountain reaches an elevation of 1,545 feet and is partially developed for residential use. A double-wide manufactured home subdivision occupies the northwest side of the mountain. Over 130 lots have been platted, with approximately 55 currently developed as residences. The remaining percentage of the Mountain consists of vacant land, including one undeveloped, 430-acre tract on the southeast side.

The view of Anderson Mountain dominates the southeast portion of the Balls Creek community and maintaining its appearance in an aesthetically appealing manner is an important value for the Small Area Planning Committee. At the Community meeting, residents also expressed concerns that additional development on Anderson Mountain might detract from the area's rural character. The Committee, in particular, was concerned about the effect of additional residential development on the Mountain including its steepness of slope, runoff and drainage, especially its effect on the Lake Norman watershed, and the impact of additional septic tanks on water quality.

Two major creeks run through much of the Balls Creek community and affect not only the quality of the surface water but have important cultural and historic ties to the community. Balls Creek flows northeast into Murrays Mill Lake, site of the historic Mill, then directly east into the Catawba River. Maiden Creek has been dammed east of the Town and has provided the Town water supply for many years. The Maiden Creek Reservoir will be abandoned in coming years because of excessive cost of repairing the dam. Below the Reservoir, Maiden Creek flows west across Town, then south into Clarks Creek and the South Fork of the Catawba.

To protect water quality, the State of North Carolina enacted the Water Supply Watershed Protection Program in 1989. The program requires all local governments with land use planning jurisdiction in designated watersheds to administer a Water Supply Watershed Protection Ordinance to protect surface drinking water. Lake Norman has been designated a source for water supply and as a result a portion of the Balls Creek area falls within the WS-IV Watershed (see *Map 8*). The WS-IV protected area requires 15,000 square foot lots when curb and gutter is not used, and public water or

sewer service are provided. When no public utilities (water and sewer) are provided, lots cannot be smaller than 20,000 square feet. Multi-family and non-residential uses are limited to 24 percent impervious coverage of the lot with curb and gutter and 36 percent without curb and gutter.

The Balls Creek area also falls within the WS-II watershed. The Maiden Reservoir is the primary water intake for the Town of Maiden and as a result a large part of the Balls Creek area also falls within this watershed (see *Map 8*). Within the critical area, the WS-II classification requires 2 acre lots or larger, while the balance of the watershed requires 1 acre lots or larger. Multi-family and non-residential developments may not exceed 6% and 12% impervious coverage of the lots for the critical and balance areas respectively.

Besides protected watersheds and Anderson Mountain, another significant natural feature is the rural, undeveloped land that dominates the community. While much of this open land is farmed, considerable acreage simply remains as undeveloped woodland and open fields. These elements constitute much of what for residents symbolizes the quiet, rural character of the Balls Creek area.

GUIDING PRINCIPLES

WATER

- The quality of water is a vital concern for the public and should be protected.

ANDERSON MOUNTAIN

- Minimize the impacts of residential development on Anderson Mountain, especially those caused by development on slopes, drainage and excessive use of septic tanks.
- Protect scenic views and corridors as well as wildlife corridors.

OPEN SPACE

- Provide adequate recreational opportunities, both active and passive, for all segments of the population.
- Maintain the rural character for which the Balls Creek community is known.
- Preserve ample open space for future generations.
- Assist farmers and property owners desiring to maintain the agricultural or open space use of their property.

PLAN RECOMMENDATIONS

- Establish standards for new development on Anderson Mountain above the 1,100 foot elevation in the area designated as "Mountain Protection District" on *Map 8, Balls Creek SAP Natural and Cultural Resources*. All new major subdivisions will be subject to a planned development process which will address the following:
 - Lot clearing limits based on percent slope
 - Height restrictions
 - Building material and finishes of homes and signage to be compatible with the natural environment
 - Environmentally sensitive road and lot configurations

The average density allowable is one unit per two acres. To minimize the impacts to environmentally sensitive areas, the transferring of densities within the development will be strongly encouraged.

- Coordinate active recreation in the Balls Creek community with local civic groups and Catawba County Schools.
- Preserve the community's open spaces through density controls and zoning and subdivision regulations which establish three density areas: high density (3/4 acres per dwelling unit), medium density (one acre per housing unit), and low density (2 acres per dwelling) (see *Map 5*);
- Open space of 15% of total acreage is required in single-family subdivisions (excluding those in the Village area), which may be located within the development as community-use open space along the perimeters of the

development as well as a required 30-foot buffer along road frontage. (Existing vegetation is allowed to provide this open-space buffer if deemed adequate.)

- Internal open space is required in the “Village” residential developments, either passive or active, at a rate of 5% of the property or 10,000 square feet, whichever is greater. A community building, bicycle path, tennis courts, etc. could be included; the 30-foot landscaped road frontage buffer, however, may not be included in this calculation.
- Encourage residential subdivisions to follow design criteria for preserving trees within subdivisions.
- Work through county, state and federal agencies to expand educational efforts to farms about voluntary agricultural districts to preserve their farmland and their livelihood.
- Encourage the new cooperative water-providers consortium to provide water to areas set aside for high-density development and other areas based on water quality and quantity needs. A priority list of water extensions would include a line from the Balls Creek Campground south on Buffalo Shoals Road to NC Highway 16 and from Balls Creek Elementary School south on Balls Creek Road to NC Highway 16, then join these lines north along NC 16 to the Abernethy Center. These extensions would provide water to areas recommended for development as “commercial nodes.”
- Consider requesting NC legislative authority to allow Transfer of Development Rights (TDR), which would encourage development in areas with adequate infrastructure and preserve open space in more rural parts of the County like the Balls Creek community.

CULTURAL/HISTORICAL RESOURCES

MURRAY’S MILL HISTORIC DISTRICT

The Murray’s Mill Historic District contains over 150 acres and two-dozen structures. It is the “last surviving complex of its type in Catawba County,” according to local historians. Murray’s Mill, located on Balls Creek, was one of many water-powered mills in Catawba County during the 19th century. The great flood of 1916, however, destroyed most of the mills of Catawba County. This mill survived the flood and continued to operate until 1967 as the last water-powered mill in Catawba County. Although mill operations began at this site between 1873 and 1883, the current mill structure was built in 1913 to expand and upgrade the original building. Today, the complex is owned and maintained by the Catawba County Historical Association. The Historical Association now operates the site as a museum, educating school-age children and the general public about the history of the site. (See *Map 8, Balls Creek SAP Natural and Cultural Resources*.)

RELIGIOUS “CAMPGROUNDS”

Another 19th century facility, unique to this region of North Carolina, is the summer religious gathering place, typically called a “campground.” Catawba County is the site of two of these facilities, still used every summer for religious and social gatherings. Methodists established the 33-acre Balls Creek Campground site, located on Buffalo Shoals Road, in 1853 to serve as a gathering place to worship and hold annual revivals. It is still used today and is one of the largest religious campgrounds in the southern United States. The site contains an arbor, the principal site of religious services, and many “tents,” wooden, two-story structures that provide living and sleeping space for families during the August, two-week long religious services.

The second “camp meeting” facility in Catawba County was established by members of the A.M.E Zion Church sometime in the 1870’s. The five-acre site, located on Shiloh Road, served as a gathering place for the African-American residents of the area. McKenzies Grove Campground functioned much the same way as its white counterpart. Revivals and annual gatherings are still held at the site every September.

HISTORIC RESIDENCE

One significant historic residence in the area is the David Franklin Propst house, located at the intersection of Providence Mill and Campbell Roads. The house, built about 1887, is noteworthy for its distinctive brickwork.

GUIDING PRINCIPLES

- Identify, recognize and protect significant cultural and historical sites.

- Encourage further education of the public concerning the history and cultural attributes of the Balls Creek community.

PLAN RECOMMENDATIONS

- Cooperate with the Catawba County Historical Association to add cultural sites to County mapping projects, so that proposed developments near those sites will preserve the community's historical and cultural heritage.
- Encourage the Historical Association to increase public educational efforts for those sites of County- and state-wide significance in Balls Creek, especially the religious campground sites.
- Identify additional historical sites in the Balls Creek community which may qualify for inclusion on the National Register of Historic Places.

APPENDIX A

Specific issues that residents voted on are listed below. The number beside each issue indicates the number of votes it received. If an issue does not have a number beside it, the issue was listed for voting but no one voted for it.

What do you like about Balls Creek?

Rural Setting – 7

Rural atmosphere – 3

Open spaces and farms - 2

Rural farm – open land, nice drives, honest & hardworking people – 2

Rural farmland

Rural but close to commercial areas

Semi-rural

Good mix urban – rural living

Good place to live

Quiet area

Clean and quiet

Clean air

Heritage - 1

Cultural heritage - 1

Rich history & culture – Dr. Hart Historical Place, Murray's Mill, Bunker Hill Bridge, Campground

History and heritage

Community

Churches

Good church, school, hospitals

Churches (variety)

Churches

Churches serve as center of community

Opportunity for religious expression

People

Community unity

Community committed to schools, churches, children, families

Friendly – caring people (family atmosphere) tight knit

Small family-type community

Family roots

Family oriented

Good area to live in – good folks to work with

Friendly folks

Wonderful neighbors

Good volunteers

Public Services

Low crime
Low crime
Excellent educational facilities
Good schools
Schools
Schools serve as center of community
Low tax rate
Fire department

Location

Not Charlotte/Hickory but within commuting distance
Centrally located Hickory/Charlotte
Close to activity – mountains, beach
Close proximity to shopping
Close to larger cities

Residential

Single-family homes
Houses aren't crowded – open space
Good area for retirees (Abernathy Center)

Transportation

Good roads
Low traffic

Organizations

Civic organizations
Balls Creek Optimist (youth activities)

What concerns do you have for Balls Creek?
--

Public Services - 35

Government - 19

Quality County leadership, public policy – land use, quality education – all minority groups – 14
Less control (i.e. government) - 3
County emphasis is on Mountain View – Startown area – new schools - 1
Lack of developmental planning - 1
Where will money come from (State cutting funding)? Will all people (taxpayers) bear burden of providing funding?
Being able to use your land the way you want to – family land concerns
Restrictive covenants
Buffers
Configuration of Balls Creek SAP lines – move eastern line east (Little Mountain)

Schools - 9

Maintain high quality schools with good teachers - 6
Teachers having to spend time teaching English to immigrants – 3
School enrollment (overcrowding)
School crowding – everyone wants to live in Balls Creek – shortage of available homes
Over crowded schools
School overcrowding
Parental school involvement

Emergency Services

Maintain safety – low crime
Crime
Not enough emergency services
Response times
Not enough police protection
Sheriff Department response time

Recreation - 4

Need better access to community buildings for community use – 4
Insufficient recreation facilities

Infrastructure - 2

Insufficient infrastructure (water/sewer lines, improved roads) - 2
Want water & sewer for everyone

Solid Waste - 1

Junkyards – 1
Junk vehicles
Inconvenient bottle recycling facility (container too small & difficult to fit bottles into) at landfill

Charlotte moving in this direction – will Balls Creek be ready with schools, housing, public infrastructure, can crime remain low?

Residential - 14

Control of growth - 6

Too many people in 1 home – not paying taxes and overcrowding schools - 5

1 acre should be the lot size – recent 2 acre requirements is too harsh – 2

Loss of farm land to developments – 1

Growth

Balancing growth with rural character – property owners rights

Over population (1/4 – 1/2 acre lots too small), tax payers not able to keep up with rapid influx of new people

Remain residential area for families, no annexing, loss of identity, remain agricultural

Want to control growth with emphasis on housing for younger people starting out

Organized residential development

Residential growth

Manufactured housing

Affordable housing

Lack of rental property

Not over-develop land

Transportation - 2

Traffic congestion in school area - 2

Traffic

Eastern thoroughfare (Newton – Conover loop)

Need wider roads and need to be maintained – if had wider roads wouldn't need sidewalks for pedestrians and bicyclists

Commercial

Industrial/commercial growth

Need quality childcare

Miscellaneous

Language barriers

What is your future vision of Balls Creek?
--

Public Services – 36

Infrastructure - 26

Water & Sewer – 12

County water system – 12

Water and sewer for everyone at a reasonable price - 2

Water & Sewer

Countywide water system

Emergency Services - 5

Crime Prevention – 4
Low crime - 1
Emergency/Fire protection

Schools - 2
Quality Education – 2
More Schools
Provide children (school) with the best technology
Stricter School Discipline
Continuing Education locally

Recreation – 2
Public recreation (near water – picnic, playground, boats/fishing) –1
Park/recreation center (all ages) – 1
Community Building
Recreational opportunities
Community events
Public park – walking trails etc.
Parks
More cultural involvements for diversified population

Government - 1
Less Government Intervention - 1
Lower taxes
Better communications between the County & Tax Payers
Receive as much attention and funding as Mountain View
More county involvement for Balls Creek Community

Residential – 21

1 acre lots - 10
No mobile homes - 4
Enforcement of minimum housing standards and restrictions on “temporary” homes (i.e. campers) being used permanently – 3
High quality development – 3
No more developments like the doublewide community off of St. James Church Road near Prison Camp Road (mobile homes okay but the development is not maintained) – 1
Planned community housing

Transportation – 10

Hwy. 16 widened (4-lane) – 5
Better traffic pattern at Bandys H.S. – traffic light – 4
Highway 16 by-pass - 1
Park & Ride Program
Widen roads for bikeway
Widen heavy use roads
Wider roads
Light rail from Olivers Cross Roads to Balls Creek
Smooth traffic flow around schools

Commercial - 2

Commercial/industrial growth (limited) - 2
No more commercial activity – can drive to those areas if needed
Appearance criteria (businesses)
Planned commercial space
Development that offers jobs and/or services (Hwy. 16)
Increased Economic Development in Urban Areas
Post Office

Rural Setting - 1
Preservation of Farmland – 1
Keep rural/agrarian

Agricultural/Rural Area (Support Business)
Preservation of Natural Resources

Status Quo

Community Stay the Same as much as Possible

Continue quiet, family community

No more growth or very little

Controlled Growth

- b. Proposed name of JESS MONROE DR for an unnamed road located off Greedy Hwy. in Bandys Township.

E-911 Coordinator Beth Mathis said the goal of the County's E-911 Office is to assign individual E-911 numbers to all dwellings located in Catawba County. In order to achieve this goal, streets or driveways that are 1200 feet or longer and/or accessing three or more parcels, must be named. This unnamed street is located off Greedy HWY and accesses seven parcels. E-911 initiated the road naming process and requested owner participation in choosing the name(s). One property owner responded by the deadline with a suggestion of JESS MONROE DR. The Planning Board unanimously approved JESS MONROE DR. at its April 28, 2003 meeting.

Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

There being no one wishing to speak, Chair Barnes closed the public hearing.

Commissioner Barger made a motion to name JESS MONROE DR for an unnamed road located off Greedy Hwy in Bandys Township. The motion carried unanimously.

- c. Proposed name of ROSEGATE CIR for an unnamed road located in Caldwell Township off Bethany Church Rd.

E-911 Coordinator Beth Mathis said the unnamed street is located in Sigmon's Mobile Home Park off Bethany Church RD. E-911 initiated the road naming process and requested owner participation in choosing the name(s). The property owner contacted E-911 with the suggestion of ROSEGATE CIR. The Planning Board unanimously approved ROSEGATE CIR at its April 28, 2003, meeting.

Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

There being no one wishing to speak, Chair Barnes closed the public hearing.

Commissioner Hunsucker made a motion name of ROSEGATE CIR for an unnamed road located in Caldwell Township off Bethany Church Rd. The motion carried unanimously.

- d. Proposed name of HAVENWOOD LN for an unnamed road located in Clines Township off Curlee Rd.

E-911 Coordinator Beth Mathis said the unnamed street is located in Pine Haven Mobile Home Park off Curlee RD. E-911 initiated the road naming process and requested owner participation in choosing the name(s). There were no response from the property owner(s) of Pine Haven Mobile Home Park. The Planning Board unanimously approved HAVENWOOD LN at its April 28, 2003, meeting.

Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

There being no one wishing to speak, Chair Barnes closed the public hearing.

Commissioner Hunsucker made a motion to name of HAVENWOOD LN for an unnamed road located in Clines Township off Curlee Rd. The motion carried unanimously.

- e. Proposed rezoning request of Gary Stutesman, Lisa G. Sutesman and George Rhoney to rezone a 0.651 acre portion of an existing 3.25 acre tract from C-2 Commercial to C-1 Commercial. This

property is located in the Hickory Township at 3316 S NC 127 Hwy., south of the intersection of NC Highway 127 and Bethel Church Road (State Road #1176) in Hickory, NC. It is further identified as parcel 2791-18-30-8794.

Planning Director Jacky Eubanks said many of the properties located near this tract are zoned C-2 Commercial and are commercially developed. The parcel just northeast of this tract contains a convenience store and a restaurant. Mountain View Fire Department is located on one of the properties across Highway 127 from this property. The property to the west of this property contains a veterinarian's office. Other tracts located further northeast and southwest of this property along Highway 127 are also zoned C-2 Commercial. The properties to the south and east of this tract are residentially zoned. A sandwich shop and a vacant dwelling are located on the tract. The intent of the applicants is to separate the restaurant use from the remainder of this property. The C-1 Commercial District allows for a minimum lot size of 20,000 square feet, whereas the C-2 Commercial District allows for a minimum lot size of 40,000 square feet.

NC Highway 127 is designated as a Major Thoroughfare by the Hickory-Newton-Conover Urban Area Transportation Plan (September 2001). This major thoroughfare is a major north-south radial serving the Hickory-Brookford-Mountain View area. As a no-control of access route, NC 127 also serves a number of developments along its corridor ranging from major residential in Mountain View, Brookford, and northern Hickory to a mix of commercial and governmental offices in downtown Hickory.

The Transportation Plan shows a count of 23,500 vehicles trips per day along this area of Highway 127. The Transportation Plan projects that the traffic on the Mountain View section of this road will be 25,000 trips per day. Based on this information, the Plan calls for the area of Highway 127 running south of the US 321 Freeway to be widened to a 4-lane divided boulevard with a grass median; however, this project is not included on the 2004-2010 Transportation Improvement Program (TIP).

The Board of Commissioners adopted the Mountain View Small Area Plan on October 21, 2002. This plan identifies this particular area as a highway corridor area. According to the plan, this corridor area is designed as a mixed-use overlay district. There is an existing public water line fronting this property. This request is consistent with the current land use plan.

The Catawba County Zoning Ordinance, Section 44-81 C-1 Commercial District states: "The C-1 commercial district is intended to provide land for the sale of convenience goods and limited personal services to residents of the immediate neighborhood. These districts shall be located at intervals of at least one mile along arterials and collector streets, preferably at intersections."

This area would include a mixture of commercial, office, and mixed-residential uses. Based upon the statement of intent of the C-1 Commercial zoning district, current public water lines, location to existing commercially zoned properties, proximity to the intersection of Highway 127 and Bethel Church Road, and the Small Area Plan, staff recommends the rezoning of this property from C-2 Commercial to C-1 Commercial.

A recommendation for rezoning is based upon all potential uses in the C-1 Commercial zoning district.

The Planning Board conducted a public hearing at its April 28, 2003, meeting, and no one spoke in favor of or in opposition to the request. The Planning Board voted unanimously to rezone the property.

Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

There being no one wishing to speak, Chair Barnes closed the public hearing.

Commissioner Barger made a motion to rezoning request of Gary Stutesman, Lisa G. Sutesman, and George Rhoney to rezone a 0.651 acre portion of an existing 3.25 acre tract from C-2 Commercial to C-1 Commercial. The motion carried unanimously.

f. Contaminated Water Sources Requiring Connection to Public Water.

Public Health Director Barry A. Blick gave a brief PowerPoint presentation. Mr. Blick said Catawba County has experienced much growth during the past 20 years that has caused it to become more

urban, with increased pressure being exerted on the physical environment in this county and region. The Catawba County Board of Health has a mission of protecting and promoting the health status of all people living or visiting in Catawba County. In pursuit of that mission, the Board has an active Environmental Health Subcommittee that focuses on conditions in the environment that can affect human health. On occasion, the Subcommittee, with its expertise and knowledge, will advise, through the full Board of Health, the Board of County Commissioners about governance issues that impact the environment from a public health standpoint.

One prominent public health issue is the assurance of potable water sources for all people. Catawba County provides safe water to customers through county owned waterlines; however, many people in the County rely upon wells, which do provide safe and economical water sources. Sometimes, a privately owned water source becomes contaminated and steps should be taken to protect human health, such as, constructing a new well and abandoning the contaminated one or connecting to a county owned waterline, if one is available.

The County has an ordinance, which enumerates many details about the service provided by County owned waterlines. The Board of Health, Environmental Health Subcommittee reviewed the advisability of amending the county ordinance to require a property owner with a contaminated well to connect to a county waterline when an alternate water source is or becomes contaminated.

With the advice and assistance of Staff Attorney Debra Bechtel, the Environmental Health Subcommittee examined existing and potential scenarios involving well water becoming unsafe for human consumption. The Subcommittee reported to the Board of Health at its March 3, 2003, meeting that requiring a private property owner to connect to a county waterline, when such a line is available will protect the public's health. This item was presented at the March 31, 2003, Subcommittee, and it was recommended that staff meet with the Well Drillers Association and staff of the Homebuilders Association regarding the proposed amendments to the Water Extension Ordinance.

Staff reported that the meeting with the well drillers went well, and they appreciated having an opportunity to discuss the ordinance change with representatives of the Board of Health. Upon hearing the concerns expressed in the meeting, a change to the language as originally proposed was made to clarify that contamination refers only to substances in concentrations that would affect human health. Some concern was also expressed about the choice of well owner being preserved when a contaminated well can be replaced with a non-contaminated well or the contaminated well can be fixed. Assurance was given to the well drillers that all public health rules and regulations governing the of wells are still in effect; so the choice to have another or repaired well remains. After the meeting with the well drillers, Debra Bechtel, Staff Attorney, made a minor revision to the proposed amendment.

The Policy and Public Works Subcommittee recommended that the Board of Commissioners amend the existing county ordinance to read:

Ordinance No. 2003-12

BE IT ORDAINED that the Catawba County Code, Chapter 42, Water and Sewer Ordinance, Article II. Extension of Water and Sewer Service, Sec. 42-59 Procedures and standards is hereby amended to read as follows:

Sec. 42-59 Procedures and standards.

- (a) *Requirements for water connection.* Requirements for water connection shall be as follows:
 - (1) Any existing property owner with a residential dwelling and any existing nonresidential property owner with a business establishment will not be required to connect to water infrastructures, provided: (i) he is connected to a properly functioning public or semipublic potable well infrastructure; (ii) he is connected to a private well water supply; or (iii) he qualifies for a permit from the county environmental health department to construct an approved replacement well. Those not meeting these conditions will be required to connect to water infrastructure, where available, within 30 days after notice from the county environmental health department. Availability will be determined based on table 1 for residential or table 2 nonresidential.

- (2) All new residential development, including major and minor subdivisions, will connect to water infrastructure where available. All major and minor subdivisions will connect prior to final plat approval; however, pursuant to and as provided by chapter 36 pertaining to subdivisions, a performance guarantee may be posted in lieu of completion of all or part of required improvements prior to final plat approval. Where no such performance bond is posted, all connections must be made before a permit will be issued. All connections will be made at no expense to the county. Availability will be determined based on table 1 as follows.

TABLE 1

Number of Proposed Dwelling Units	Distance from Nearest Property Line as Determined by the County Engineer
1	Abutting the property and/or right-of-way
2-9	250 ft.
10-25	1,000 ft.
26-50	2,000 ft.
51-75	3,000 ft.
76-100	4,000 ft.
101-200	5,280 ft. (1 mile)
201-300	15,840 Ft. (3 miles)
301+	Must extend water infrastructure

- (3) The owner of any property that has a water source that is, or becomes, contaminated and is served by a water line must connect to the public water line. Contamination is defined in accordance with the North Carolina Department of Environment and Natural Resources laws and regulations and is intended to cover only those contaminants that present a health issue for the human population. Water sources include, but are not limited to, potable well, private well water supply, public well system and semi-public well system. "Served by a water line," means the water line is adjacent to the property and no municipal/county waterline extensions are required to get to the property. Owners who connect to the public water line within 30 days of the identification of the contamination will receive a 50 percent discount on the regular connection fees.

- (3) (4) All new nonresidential development will connect to water infrastructure where available. Availability will be determined based on table 2. Daily flow for nonresidential development will be determined based on NCDENR, Laws and Rules for Sewage Treatment, and Disposal Systems, section 15A NCAC 18A.1900. (The requirements of the NCDENR Laws and Rules for Sewage Treatment, and Disposal Systems may be obtained from the county environmental health department). Daily flow for establishments not identified will be determined using available flow data, water-using fixtures, occupancy or operation patterns, and other measured data. All connections will be made at no expense to the county.

TABLE 2

Average Water Consumption Based on NCDENR Administrative Code Section 15A NCAC 18A.1900 (gallons per day)	Distance from Nearest Property Line as Determined by the County Engineer
130-259	200 ft.

260-1,299	500 ft.
1,300-3,379	2,000 ft.
3,380-6,629	3,000 ft.
6,630-9,999	4,000 ft.
10,000+	Must extend water infrastructure

(4) (5) Where feasible, one meter will be required per each customer or water user.

This 16th day of June, 2003.

/s/ Katherine W. Barnes, Chair
Catawba County Board of Commissioners

Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

Gary Moseley, 3471 Mt. Olive Church Road, Newton, General Manager for Heater Utilities (private utility company) located in Denver, NC, said he has a community well service and the word "must" bothers him. The County has paralleled many of his system. They would like to grow their business here and feel they offer a unique niche to the county.

Mr. Blick said the Board of Health carefully considered the language and did not advise that it would limit any options that currently exist to repair or replace a well prior to requiring the actual hook up to the county waterlines.

Staff Attorney Debra Bechtel said the intent of the Board of Health was to allow the owner to make repairs or dig another well if the parcel was large enough.

Mr. Moseley said he would like to see verbiage in the ordinance about private utility companies that DENR and the Utilities Commission has authority over. He said if something went wrong with one of his systems the state would force him to correct the problem.

Commissioner Beatty said the Board of Health had spent a lot of time on the amendment and had done a good job and she would support the amendment. She said Mr. Moseley got involved after the public meeting with the well drillers.

Mr. Moseley said he was sorry he was late. He said it had been a pleasure working with Mr. Blick.

There being no one else wishing to speak, Chair Barnes closed the public hearing.

Commissioner Lail made a motion to adopt the aforementioned ordinance as proposed by the Public Health Board and requested that the Public Health Board address the issue of private utility companies. The motion carried unanimously.

- g. Three Year Mandatory Update to 10-Year Comprehensive Solid Waste Management Plan. (Copy of plan on file in the Office of Utilities and Engineering Director.)

Utilities and Engineering Director Barry B. Edwards said on June 16, 1997, in accordance with NCGS 130A-309.09A, the Board of Commissioners adopted a State mandated 10-year Solid Waste Management Plan. The plan must be updated every three years and submitted to the North Carolina Department of Environment and Natural Resources. The purpose of this 3-year update, as well as the original Solid Waste Management Plan, is to meet local solid waste needs and protect public health and the environment.

The update includes additional efforts in household hazardous waste and electronic waste collection and diversion from land filling. Beginning next fiscal year, two collection events will be held annually, one in the City of Newton and one in the City of Hickory. The update also includes substantial

recycling or waste reduction goals: 25% reduction by 2006 and 30% reduction by 2010. Catawba County is one of only two North Carolina Counties meeting their existing waste reduction goal. In fact, Catawba and Orange Counties were the only two Counties to make improvements in waste reduction last year; other counties had an increase in waste production and the State had an increase in waste production overall. Catawba County increased its waste reduction by 12% over the past 13 years and 2% between 2000 and 2003 to an annual reduction rate of 20%. Catawba County does a good job at recycling and it will take additional efforts from the County, municipalities, commercial, and industrial sector to meet the new recycling goals.

Mr. Edwards said the Policy and Public Works Subcommittee recommended that the Board of Commissioners hold a public hearing and adopt the following resolution.

RESOLUTION NO. 2003-23

**APPROVING THE CATAWBA COUNTY
SOLID WASTE MANAGEMENT PLAN UPDATE**

WHEREAS, better planning for solid waste will protect public health and the environment, provide for an improved solid waste management system, better utilize our natural resources, control the cost of solid waste management; and

WHEREAS, NCGS 130A-309A(b) requires each unit of local government, either individually or in cooperation with other units of local government, to develop a 3-year update to the 10-year Comprehensive Solid Waste Management Plan; and

WHEREAS, Catawba County is represented on the Catawba County Planning Advisory Committee.

NOW, THEREFORE, BE IT RESOLVED that the Catawba County Board of Commissioners hereby approves the 3-year update to the 10-year Comprehensive Solid Waste Management Plan.

Adopted this the 16th day of June, 2003.

/s/ Katherine W. Barnes, Chair
Catawba County Board of Commissioners

Attest:

/s/ Thelda B. Rhoney, Clerk

Chair Barnes opened the public hearing by saying this was the time and place as advertised for the public hearing and asked if anyone wished to speak either for or against.

There being no one wishing to speak, Chair Barnes closed the public hearing.

Commissioner Beatty made a motion to adopt the aforementioned resolution approving the Three Year Mandatory Update to 10-Year Comprehensive Solid Waste Management Plan. The motion carried unanimously.

6. **Appointments:**

Tax Assessor

County Manager J. Thomas Lundy recommended the reappointment of Randy Moose, Tax Assessor for a two-year term which expires June 30, 2005. Mr. Lundy subsequently will designate Mr. Moose as Tax Administrator, responsible for the entire Tax Office.

Animal Cruelty Investigators.

Mr. Lundy recommended the following reappointments: Chief Animal Care and Control Officer Woodie L. Wilson, and Animal Care and Control Officers Douglas J. Hagen, Sheila H. O'Connell, and Charles S. Sherrill, Jr. Terms expire June 30, 2004, or until such time they are no longer employed by Catawba County.

Commissioner Hunsucker made a motion to approve the Tax Assessor reappointment and the Animal Cruelty Investigators reappointments. The motion carried unanimously.

Catawba County Economic Development Corporation

Chair Barnes recommended the reappointment of Martin "Marty" Franklin Little for a second term. Term expires June 30, 2006.

Catawba County Council for the Arts

Chair Barnes recommended the reappointment of Mark J. Turner for a second term beginning July 1, 2003, and ending June 30, 2006.

Western Piedmont Sister Cities Association

Chair Barnes recommended the reappointment of W. Grimes Byerly for a third term beginning July 1, 2003, and ending June 30, 2006.

Library Board of Trustees

Commissioner Beatty recommended the reappointment of Carolyn M. Setzer for a second term. Ms. Beatty also recommended the following appointments for first, four year terms: Joyce Beatty; Joe Kerley, Jr.; and Eve Agee. Terms will be from July 1, 2003, through June 30, 2007.

Juvenile Crime Prevention Council

Commissioner Hunsucker recommended the appointments of Johnny Scott, Substance Abuse Professional representative (to replace Ryan Frye) and Ronn Abernathy, Chief Court Counselor, or designee, (to replace Dianne Poovey).

Mr. Hunsucker recommended the following reappointments: Bobby K. Boyd, Social Services Director; Judy V. Ikerd, County Manager, or designee representative; Steven M. Deitz, Faith Community representative; Jeannie B. Connor, United Way Director; Gary R. Hogue, Local Parks and Recreation Program representative; Ann Hart, Board appointee; Sandi Fotheringham, Board appointee; and Suzanne Rolfs, Board appointee. The two year terms will expire June 30, 2005.

Local Emergency Planning Committee

Commissioner Hunsucker recommended the following appointments:

J. David Pruitt, Fire Marshal to replace Rupert Little.

David A. Weldon, Emergency Services Director to replace Charles Moody.

Bryan D. Blanton, Emergency Services Manager to replace David Weldon.

Terry Bolick, Environmental Health Programmer Administrator to replace Tom Spurling.

Nursing & Rest Home Community Advisory Committee

Commissioner Lail recommended the appointment of Pat Gibson (replacing Cathy Schwedler) for a one-year term. The term will expire June 16, 2004.

Subdivision Review Board

Commissioner Barger recommended the appointment of Rick Sherrill to replace Steve Hilton, who retired. Mr. Sherrill will serve as the Catawba County School Superintendent designee.

Commissioner Barger made a motion to approve the aforementioned appointments. The motion carried unanimously.

7. Departmental Reports:

a. Economic Development Corporation:

1. Waiver of the Wage Test for Prestige Pillow, Inc.

Vice President, Catawba County Economic Development Corporation Bebe Leitch, said the North Carolina Department of Commerce requested a waiver of the wage requirement under the IRB statute for the Prestige Pillow financing. The IRB statute requires that a company pay above average wages in order to qualify for the bonds. The Department of Commerce has the power to waive the wage requirement upon the request of the County Commissioners, in cases of "especially severe unemployment" as defined by Section 1E.0303(d) of the North Carolina Administrative Code. The factors to be considered by the Department of Commerce in determining whether a wage waiver is appropriate are the level of unemployment in the

County and the number of lost jobs in the County over the prior 12 month period. Due to the number of recent layoffs and company closings in Catawba County, this project should qualify for a waiver of the wage requirement.

The Board of Commissioners held a Public Hearing and approved the project at its regularly scheduled meeting of June 2, 2003. Prestige Pillow stated that it would meet the above average wages requirement. However, upon further review of its payroll figures, Prestige Pillow, being in the furniture industry has determined that the average hourly wage at which its project is financially viable is \$15.34, \$1.91 less than the \$17.25 average hourly manufacturing wage in Catawba County as reported by the N.C. Department of Commerce.

Ms. Bebe Leitch, a representative of the Finance Authority, referred the Board of Commissioners to its resolution passed on June 2, 2003, with respect to the approval of the issuance by the Catawba County Industrial Facilities and Pollution Control Financing Authority of its Industrial revenue bonds to finance a project for G&A, LLC and Prestige Pillow, Inc. (the "Company") and approving such project (the "Project") in principle. Ms. Leitch then advised the Board of Commissioners that at present the Company is unable to meet the manufacturing wage test contained in North Carolina General Statutes Section 159C-7 and Section 1E.0303 of the North Carolina Administrative Code, that it intends to apply for a waiver of such wage test, and that it is requesting that the County Commissioners reapprove the Project notwithstanding the fact that the Company, as the operator of the Project, is presently unable to pay an average weekly manufacturing wage which is above the average weekly manufacturing wage paid in Catawba County or 10% in excess of the average weekly manufacturing wage for North Carolina. The wage waiver is being requested because of "especially severe unemployment."

She advised the Commissioners that "especially severe unemployment" was defined by Section 1E.0303(d) of the North Carolina Administrative Code (the "Wage Waiver Rule") as follows:

(A) unemployment which the Employment Security Commission statistics indicate to be at least five percent for the most recent month, and for the six month period ending with that month, have averaged either:

- (i) at least ten percent, or
- (ii) at least 125 percent of the average unemployment rate for the State of North Carolina, and is at least five percent, or

(B) where the department can determine that there has been within the past 12 months, or will be in the immediate future, a permanent closing by any employer in the county which resulted, or will result in the loss of employment by at least 300 workers, or at least a number of workers equal to or greater than five percent of the current labor force for the county, as published in the most "North Carolina Labor Force Estimate by County." The purpose of this provision is to assist in the creation of employment opportunities for individuals displaced by industrial plant closings. This provision may not be used as justification for a finding of especially severe unemployment if approvals granted on the basis of a particular plant closing have created more jobs than were lost in the closing.

She reported that for the six-month period from September, 2003 to February, 2003, Catawba County's unemployment rate was in excess of 8% and that the Department of Commerce has determined that the County qualifies for the wage waiver under part (A) of the Wage Waiver Rule. The Commissioners concluded that unemployment in Catawba County is especially severe and that the proposed project would benefit employment in Catawba County by preserving and creating jobs in Catawba County.

Chair Barnes introduced the following resolution which the title was read out loud:

RESOLUTION NO. 2003-24

Resolution Reapproving the Issuance by the Catawba County Industrial Facilities and Pollution Control Financing Authority of Not Exceeding \$3,000,000 Aggregate Principal

Amount of its Qualified Small Issue Industrial Revenue Bonds to Finance an Industrial and Manufacturing Project in Catawba County, North Carolina for G&A, LLC and Prestige Pillow, Inc. and Reapproving the Project in Principle and Requesting the Secretary of the Department of Commerce Approve the Project, Notwithstanding the Failure of Prestige Pillow, Inc. to Pay Above Average Weekly Manufacturing Wages in Catawba County or Weekly Manufacturing Wages 10% in Excess of the North Carolina Average Weekly Manufacturing Wage

WHEREAS, the Board of Commissioners for the County of Catawba has created a political subdivision and body corporate and politic of the State of North Carolina known as "The Catawba County Industrial Facilities and Pollution Control Financing Authority" (the "Authority"); and

WHEREAS, the Board of County Commissioners desires to reapprove the issuance of the qualified small issue industrial revenue bonds and reapprove the project for G&A, LLC and Prestige Pillow, Inc. (the "Company") in principle, notwithstanding the failure of the Company, as the operator of the Project, to pay above average weekly manufacturing wages in Catawba County or 10% in excess of the North Carolina average weekly manufacturing wages;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners for the County of Catawba:

Section 1. The Board of Commissioners has determined and does hereby declare as follows:

(a) The Board of Commissioners has been advised that, according to information supplied by the Company, the Company does not and will not pay an average weekly wage which is above the average weekly manufacturing wage paid in Catawba County or 10% above the average weekly manufacturing wage paid in the State and that the North Carolina Department of Commerce may approve the issuance of industrial bonds for the Company only if requested to do so by the Board of Commissioners of Catawba County, notwithstanding failure of the Company to pay such above average manufacturing wage.

(b) In order to facilitate the issuance of the above-described industrial revenue bonds of the Authority, the Board of Commissioners has been requested to file with the Secretary of the Department of Commerce its resolution requesting that the proposed Project to be financed with the proceeds of said bonds be approved notwithstanding that the Company will not pay an average weekly manufacturing wage above the average weekly manufacturing wage in Catawba County or 10% above the average weekly manufacturing wage paid in North Carolina.

Section 2. Pursuant to and in satisfaction of the requirements of Section 159C-7 of the General Statutes of North Carolina, the Board of Commissioners for the County of Catawba hereby requests that the Secretary of the Department of Commerce of the State of North Carolina approve the Project to be financed with the proceeds of the above-described industrial revenue bonds of the Authority notwithstanding that the Company will not pay an average weekly manufacturing wage in Catawba County or 10% above the average weekly manufacturing wage paid in North Carolina.

Section 3. The Chairman of the Board of Commissioners be, and is, authorized and directed to deliver this resolution to the Secretary of the Department of Commerce in satisfaction of the requirements of Section 159C-7 of the General Statutes of North Carolina, and to execute such other and further documents and instruments, and to take such other action, as may be requested by the said Secretary in order to effectuate the purposes of this resolution.

This resolution shall take effect immediately upon its passage.

Commissioner Barger moved the passage of the foregoing resolution and the resolution was passed by the following vote:

AYES: Barnes, Hunsucker, Barger, Beatty, Lail

NAYS: N/A

b. Piedmont Wagon:

1. Acceptance of grant application from the NC Department of Transportation, Project No. 04-SC-002 for FY 2004 Catawba County Community Transportation Program. (Contract on file in the Office of Social Services Director.)

Mike Bradshaw, Transit Manager, Piedmont Wagon requested acceptance of a grant award from the North Carolina Department of Transportation, Project Number 04-SC-002. The grant award is the result of the FY 2004 Catawba County Community Transportation Program grant application that was filed, presented to and approved for submission by the Catawba County Board of Commissioners at its November 18, 2002 meeting. The contract is only for the capital portion of the grant application. The grant is approved by NCDOT for the purchase of one replacement van for the Community Transportation Program and for the application of logos and decals on the existing fleet that are not properly lettered. The total cost for the above mentioned items is \$35,500 of which \$31,950 is state funds and \$3,550 is local. The vehicle will be used to provide transportation for the Elderly and Disabled Transportation Assistance Program, Rural General Public service and for providing transportation to congregate meal programs. The contract will be presented to the Catawba County Transportation Advisory Board for review at its June meeting. No public hearing is required for the acceptance of this grant because the public hearing for the grant was held at the November 18, 2002 meeting.

Commissioner Hunsucker made a motion to accept the grant and authorize execution of the contract. The motion carried unanimously.

c. Utilities and Engineering:

1. Agreement between Catawba County and the City of Hickory for the Purchase of Water and Wastewater Plant Capacity.

Utilities and Engineering Director Barry B. Edwards gave a brief PowerPoint presentation of maps and said in August 2000, Catawba County entered into a Water contract with the City of Hickory for the provision of the long-term supply of municipal water to Southeastern Catawba County (SECC). This agreement required an interim companion agreement with the City of Conover to use their infrastructure to transfer water from Hickory's system to SECC (Keisler Dairy Rd Waterline contract, approved by the Board of Commissioners on September 17, 2001). The interim Conover contract limits the water transfer to 300,000 GPD and was structured to allow Catawba County the time required to develop infrastructure and secure water plant capacity to meet the SECC long-term (20 year) water demand of 5 million gallons per day (MGD). The 5MGD demand was substantiated by Wright and Associates and is supported by staff findings.

The City of Hickory and Catawba County have negotiated the Purchase/Sale of 5MGD of Water Plant Capacity. Sections 2.1 - 2.3 of the following agreement outlines the purchase of Plant Capacity as follows:

-Hickory sells and conveys to Catawba County capacity rights in Hickory's Water Treatment Plant to the extent of 1,700,000 gallons per day, effective immediately, with an option to purchase an additional 3,300,000 gallons per day capacity in the future, but at today's price.

-The price is \$1.50 per gallon.

-When average use over 12 consecutive months exceeds 80% of the 1,700,000 GPD capacity, Catawba County may purchase the additional capacity. The additional capacity will be purchased as a unit and may not be divided or partially purchased.

Wastewater

-The City of Hickory is offering Catawba County Sanitary Sewer Treatment Services and Wastewater Plant Capacity for the Southeastern Catawba County (SECC) Service Area. The capacity can serve Bandys High School, Mill Creek Middle School and Sherrills Ford Elementary School as well as provide future opportunity for others in the SECC Service Area.

-The City of Hickory and Catawba County have negotiated the Purchase/Sale of 100,000 gallons per day (GPD) of Wastewater Plant Capacity. Section 3 of the agreement outlines the purchase of Waste Water Plant Capacity as follows:

-Hickory sells and conveys to Catawba County capacity rights in Hickory's Waste Water Treatment Plant to the extent of 100,000 gallons per day.

-The price is \$1.60 per gallon.

Payment

Section 2 of the agreement outlines the costs of the Purchase of Water Plant Capacity as follows:

-The cost of the initial 1,700,000 GPD, at \$1.50 per gallon, capacity is \$2,550,000.

-Indebtedness currently owed by the Town of Catawba, North Carolina, to Catawba County, not to exceed the amount of \$786,575.63, which is being assumed by the City of Hickory as partial consideration for the purchase of water and sewer systems of the Town of Catawba by the City of Hickory will be forgiven and credited toward the water purchase. At the current rate of repayment, the Town of Catawba's (now Hickory's) outstanding loans would take 70 years to repay. Using the debt to secure capacity gives the County instant value, instead of waiting 70 years.

-The remaining \$1,763,424.37 for the initial capacity will be paid to the City of Hickory in a single installment on or before August 1, 2003, funded from the Water and Sewer Reserve Fund.

Sections 3.2 and 5 of the agreement outline the cost of the Waste Water Plant Capacity and Sewer Treatment Services as follows:

-The cost of the Waste Water Plant Capacity is \$160,000 and is to be paid to the City of Hickory in a single installment on or before August 1, 2003, funded from the Water and Sewer Reserve Fund.

-The cost of Sewer Treatment is 90 cents per 1,000 gallons from July 1, 2003-June 30, 2004, if used. This rate is subject to review and adjustment on an annual basis.

-No increase in price will be greater in percentage than the percentage increase in the Consumer Price Index for the preceding 12 months and no increase in price will be charged to Catawba County unless it is also charged to other similarly situated users of wastewater treatment services provided by the City of Hickory pursuant to a similar agreement.

-Prices will not be adjusted more frequently than annually, normally on July 1 of each calendar year. Hickory will notify Catawba County no later than April 1 of each year prior to any price increase.

Countywide Cooperation in Utility Provisions:

In 2002, Catawba County and its municipalities formed a Utility Technical Advisory Committee (UTAC). The UTAC's mission is to provide a forum for all County governmental entities to work together in a regional approach in providing water and wastewater provisions to our citizens. The committee's first major step was to agree to a two-step study that would have implications countywide; the first phase of the study is a water production study of the Cities of Hickory and Newton Water Treatment Plants, and the second phase is a countywide water distribution study. The study as a whole, both phases, is design to provide facts and alternatives in how to better optimize existing infrastructure regardless of municipal boundaries.

To date, The UTAC has identified \$145 million in water and wastewater needs in Catawba County.

Mr. Edwards said the Policy and Public Works Subcommittee recommended that the Board of Commissioners approve the agreements for providing utilities to Southeastern Catawba County (SECC) and for the protection of our environment, natural resources and economy, and approve the budget revision.

Appropriations:		Revenues:	
230-170020-995415	\$1,923,425	230-170020-690100	\$1,923,425
To Water & Sewer Construction		Fund Balance Applied	
415-431100-856900-21021	\$1,763,425	415-430050-695230	\$1,923,425
Water Capacity (Hickory)		From Water & Sewer Reserves	
415-431100-856900-21022	\$ 160,000	Total	\$3,846,850
Waste Water Capacity (Hickory)			
Total	\$3,846,850		

RESOLUTION NO. 2003-25

**AUTHORIZATION TO ENTER AGREEMENT WITH HICKORY, NORTH CAROLINA,
FOR THE PURCHASE OF WATER PLANT CAPACITY**

WHEREAS, Catawba County currently owns a water transmission and distribution system (hereinafter referred to as the "System") which lies within Catawba County, North Carolina; and

WHEREAS, Hickory is engaged in the business of operating, maintaining and managing a public water utility; and

WHEREAS, Catawba County and Hickory mutually desire to enter into an agreement to provide for the operation, maintenance, management and improvement of the System, including the sale of treated water by Hickory to the residents of Catawba County outside the corporate limits of the City of Hickory, and to further such goals through the sale of capacity in the Hickory Water Treatment Plant (Catawba facility); and

WHEREAS, the Board of Commissioners of Catawba County has determined that the public health, safety, and welfare of the residents of Catawba County can best be protected by entering into an agreement to provide for the operation, maintenance, and management of the System; and

WHEREAS, the City Council of the City of Hickory has determined that Hickory has the present capacity to serve the residents of Catawba County in the service area described hereinafter without impairing the quality of service to residents of the City of Hickory; and

WHEREAS, Catawba County has adopted into the Catawba County Code, Chapter 42 (formerly Chapter 504), entitled "WATER AND SEWER," including an Amendment to that Chapter, entitled "THE REVENUE SHARING PROGRAM," and Hickory has agreed to enter into the Revenue Sharing Program for the purpose of providing water to Southeastern Catawba County in the area described in the Agreement between Hickory and Catawba County dated August 21, 2000; and

WHEREAS, Catawba County desires to enter into the agreement with Hickory for the purchase of water plant capacity in the Catawba facility.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of Catawba County, North Carolina, sitting in open session this 16th day of June, 2003, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, that the Chairman of the Board and County Clerk are given the authority and direction to execute the Agreement presented to the Board and to which this Resolution is attached and to see that the same is filed with the appropriate officers of Catawba County, North Carolina.

Done this 16th day of June, 2003.

BOARD OF COMMISSIONERS OF
CATAWBA COUNTY,
A North Carolina Body Politic

By: /s/ _____
Katherine W. Barnes, Chair

ATTEST:
(SEAL)

Thelda B. Rhoney, County Clerk

Approved as to form on behalf of Catawba County:

Robert Oren Eades, County Attorney

PREPARED BY:

Larry W. Johnson, Staff Attorney, City of Hickory
PO Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA

**AGREEMENT FOR
SALE OF WATER PLANT
CAPACITY**

CATAWBA COUNTY

THIS CONTRACT is made and entered into this _____ day of June, 2003, by and between **CATAWBA COUNTY**, a political subdivision of the State of North Carolina and body politic corporate in nature, having a mailing address of P.O. Box 389, Newton, North Carolina 28658, hereinafter referred to as "Catawba County" and **THE CITY OF HICKORY**, a North Carolina Municipal Corporation, having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, acting by and through the Mayor and the City Council, hereinafter referred to as "Hickory".

WITNESSETH

WHEREAS, Catawba County currently owns a water transmission and distribution system (hereinafter referred to as the "System") which lies within Catawba County, North Carolina; and

WHEREAS, Hickory is engaged in the business of operating, maintaining and managing a public water utility; and

WHEREAS, Catawba County and Hickory mutually desire to enter into an agreement to provide for the operation, maintenance, management and improvement of the System, including the sale of treated water by Hickory to the residents of Catawba County outside the corporate limits of the City of Hickory; and

WHEREAS, the Board of Commissioners of Catawba County has determined that the public health, safety, and welfare of the residents of Catawba County can best be protected by entering into an agreement to provide for the operation, maintenance, and management of the System; and

WHEREAS, the City Council of the City of Hickory has determined that Hickory has the present capacity to serve the residents of Catawba County in the service area described hereinafter without impairing the quality of service to residents of the City of Hickory; and

WHEREAS, Catawba County has adopted into the Catawba County Code, Chapter 42 (formerly Chapter 504), entitled "WATER AND SEWER," including an Amendment to that Chapter, entitled "THE REVENUE SHARING PROGRAM," and Hickory has agreed to enter into the Revenue Sharing Program for the purpose of providing water to Southeastern Catawba County in the area described in the Agreement between Hickory and Catawba County dated August 21, 2000;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms contained herein, the parties hereto, intending to be legally bound hereby, agree as follows:

1. REPRESENTATIONS

- 1.1 Catawba County, North Carolina, is a political subdivision of the State of North Carolina and a body politic corporate in nature. Catawba County has the requisite power and authority to enter into this Agreement, and the signatories hereto have been authorized to execute the documents necessary on behalf of Catawba County by the Board of Commissioners of Catawba County, North Carolina as reflected in the Resolution attached hereto as Exhibit "A" and incorporated herein by reference.
- 1.2 The City of Hickory is a Municipal Corporation created as a political subdivision of the State of North Carolina. Hickory has the requisite power and authority to enter into this Agreement, and the signatories hereto have been authorized to execute the documents necessary on behalf of

the City of Hickory by the City Council as reflected in the Resolution attached hereto as Exhibit "B" and incorporated herein by reference.

- 1.3 Catawba County and Hickory each have among their powers the authority to contract with one another to perform such undertaking as described in this Agreement;
- 1.4 This Agreement is enforceable in accordance with its terms and the authorization, execution, delivery and performance of this Agreement will not violate any law, judgment, order, ruling or regulation applicable to Catawba County or Hickory and does not constitute a breach of or default under any agreement or instrument by which either Catawba County or Hickory is bound.
- 1.5 There are and will be no liens, notes, bonds, mortgages, encumbrances, or other entitlement to the revenues of the System which would constitute a cloud upon the title to the same. Entry into this Agreement by either party will not violate any law, judgment, order, ruling or regulation applicable and does not constitute a breach of or default under any agreement or instrument by which either of the entities is bound.
- 1.6 Catawba County and Hickory each has or holds, and will continue to have or hold through the date of transfer and closing, all appropriate permits necessary to effectuate their respective responsibilities under this Agreement or will use their best efforts to obtain such permits.
- 1.7 To each party's knowledge, there are no claims, suits, actions threatened or pending, or judgments entered which, if successful, would have a material adverse effect on the ability of either Catawba County or Hickory to perform their obligations hereunder.
- 1.8 It is the intent of Catawba County and Hickory that execution of and entry into this Agreement shall include the transfer of all licenses, permits, permissions, or other authority necessary from any governing body, regulatory agency or other entity necessary for the operation of the System from one party to the other.
- 1.9 It is the intent of Catawba County and Hickory that on and after the date of ratification of this Agreement by the last of the parties hereto, Catawba County and Hickory, in combination with each other in the manner described herein, shall operate, maintain and manage the System on the terms and conditions set forth in this Agreement and that Agreement between Catawba County and Hickory related to the transmission and distribution of water which is dated August 21, 2000, as the same may be from time to time modified. The terms of said August 21, 2000 Agreement, unless specifically modified herein, shall be incorporated by reference as if more fully set forth.

2. SALE OF PLANT CAPACITY

- 2.1 Hickory does hereby grant, bargain, sell and convey to Catawba County capacity rights in Hickory's Water Treatment Plant to the extent of one million seven hundred thousand (1,700,000) gallons per day, with an option to purchase an additional Three million, three hundred thousand (3,300,000) gallons per day capacity under the terms and conditions established herein.
- 2.2 The price for such capacity, including the Three million, three hundred thousand gallons (3,300,000), shall be One dollar and fifty cents (\$1.50) per gallon to be paid as set forth in this Agreement.
- 2.3 When average usage by Catawba County over a twelve (12) consecutive month period exceeds eighty percent (80%) of the County's 1,700,000 million gallon per day capacity, Catawba County may purchase the additional capacity set forth in paragraph 2.1. Such capacity shall be purchased as a unit, and may not be divided or partially purchased.
 - 2.3.1 When average usage by Catawba County exceeds the amount set forth in the preceding paragraph, Hickory shall advise Catawba County in writing of the same.

- 2.3.2 After receipt of written notice from Hickory, Catawba County shall have sixty (60) days in which to exercise its option to purchase additional capacity as set forth in this Agreement.
- 2.3.3 If Catawba County fails to exercise the option to purchase additional capacity from Hickory within the time limits set forth in this Section, the same shall lapse and shall no longer be exercisable by Catawba County.
- 2.4 Nothing in this agreement shall imply or contrive any ownership rights by Catawba County in any water treatment facility, but conveys only the guaranteed right to purchase treated water at the rates established herein, or as the same may be hereafter modified pursuant to the terms of this Agreement. Catawba County shall have no financial responsibility to repair, maintain or operate the water treatment facility.
- 2.5 The purchase price of two million, five-hundred fifty thousand and no/100 (\$2,550,000.00) dollars shall be paid upon entry into this Agreement as follows:
 - 2.5.1 Indebtedness currently owed by the Town of Catawba, North Carolina, to Catawba County, not to exceed the amount of Seven-hundred Eighty-six thousand, five-hundred seventy-five and 63/100 (\$786,575.63) which is being assumed by the City of Hickory as partial consideration for the purchase of the water and sewer systems of the Town of Catawba by the City of Hickory shall be forgiven and discharged as if paid in full upon execution of this Agreement.
 - 2.5.2 The remaining One million, Seven hundred sixty three thousand, four hundred twenty-four and 37/100 (\$1,763,424.37) dollars for the initial capacity shall be paid in a single installment on or before August 1, 2003.
 - 2.5.3 Payments for any future capacity purchased shall be made in a single installment at a date to be agreed upon at the time of such purchase.

3. EMERGENCY SITUATIONS

- 3.1 Hickory shall immediately notify Catawba County of any activity, problem, or circumstance it should reasonably become aware of which threatens the safety, health or welfare of the users of the System or the residents of Catawba County.
- 3.2 In the event of damage or destruction of the potable water facilities or any other emergency which, in the reasonable judgment of Hickory, is likely to result in material loss or damage to the water treatment plant, any part of the distribution system, or constitute a material threat to human health or safety, Hickory may suspend operation of the water treatment plant or any part of the distribution system.
- 3.3 Hickory's response to emergencies shall be in accordance with applicable policies, regulations and requirements and with such personnel and equipment as necessary to maintain or restore the operations of the water treatment plant and distribution system in a timely manner with the least possible disruption or inconvenience to customers of the System.

4. MISCELLANEOUS PROVISIONS

- 4.1 To the extent allowed by law, Hickory shall indemnify, defend and hold harmless Catawba County, its elected and appointed officers, and its duly authorized agents, servants and employees from any and all costs, expenses or liabilities (including costs, expenses or liabilities to third parties and attorney's fees) which are caused by or arise from Hickory's breach of this Agreement or the negligent or willful acts or omissions of Hickory or its agents, servants, employees or subcontractors provided such cost, expenses or liabilities do not arise as a result of the negligent or willful acts or omissions of Catawba County.

- 4.2 To the extent allowed by law, Catawba County shall indemnify, defend and hold harmless Hickory, its elected and appointed officers, and its duly authorized agents, servants and employees from any and all costs, expenses or liabilities (including costs, expenses or liabilities to third parties and attorney's fees) which are caused by or arise from Catawba County's breach of this Agreement or the negligent or willful acts or omissions of Catawba County or its agents, servants, employees or subcontractors provided such cost, expenses or liabilities do not arise as a result of the negligent or willful acts or omissions of Hickory.
- 4.3 All notices given pursuant to the terms of this Agreement shall be in writing and delivered in person or transmitted by certified mail, return receipt requested, postage prepaid, to the following entities:

Hickory: Hickory City Manager
 P.O. Box 398
 Hickory, North Carolina 28603

Catawba County: Catawba County Manager
 P.O. Box 389
 Newton, North Carolina 28658

- 4.4 This Agreement, and any exhibits attached hereto, embodies the entire Agreement between the parties in connection with this transaction, and there are no oral or parole agreements, representations or inducements existing between the parties relating to this transaction, which are not expressly set forth herein and covered hereby. This Agreement may not be modified except by a written agreement signed by all of the parties. Neither Party shall be entitled to sell, convey or otherwise alienate the water treatment capacity or the rights and obligations created herein without the prior written permission of the other Party to this Agreement.
- 4.5 Nothing contained herein shall be construed to place the parties in the relationship of partners or joint venturers, and neither party shall have the power to obligate or bind the other party in any manner whatsoever.
- 4.6 No written waiver by any party at any time of any breach of any other provision of this Agreement shall be deemed a waiver of a breach of any provision herein or a consent to any subsequent breach of the same or any other provisions. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion.
- 4.7 The various rights, powers and remedies herein contained and reserved to either Catawba County or Hickory shall not be considered as exclusive of any other right, power or remedy, but the same shall be construed as cumulative and shall be in addition to every other right, power or remedy now or hereafter existing at law, in equity or by statute. No delay or omission of a party to exercise any right, power or remedy arising from any omission, neglect or default of the other party shall impair any such right, power or remedy or shall be construed as a waiver of any such default or and acquiescence therein.
- 4.8 In the event either of the parties receives notice of or undertakes the defense or the prosecution of any actions, claims, suits, administrative or arbitration proceedings or investigations in connection with this Agreement, the party receiving such notice or undertaking such prosecution shall give the other party timely notice of such proceedings and will inform the other party in advance of all hearings regarding such proceedings.
- 4.9 The captions, section numbers and article numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe or describe the scope of such paragraphs or articles of this Agreement nor in any way affect this Agreement.
- 4.10 This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina.
- 4.11 Time shall be of the essence of this Agreement and each and every term and condition thereof.

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- 4.12 Words of any gender used in this Agreement shall be held to include any other gender, and words in the singular number shall be held to include the plural, when the sense requires.
- 4.13 This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart
- 4.14 Both Catawba County and Hickory acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by Counsel for both Catawba County and Hickory. As such, the doctrine of construction against the drafter shall have no application to this Agreement
- 4.15 Each of the parties agrees that this Agreement is not an executory contract subject to assumption as defined by the Bankruptcy Code. The parties further specifically acknowledge that this provision is critical to the Agreement and was bargained for and part of the consideration for the Agreement.
- 4.16 At the election of either party, a memorandum of this Agreement shall be executed by both parties and recorded with the recorder of deeds in the County where the property and assets, which are the subject of this Agreement, are located.
- 4.17 If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.
- 4.18 In the event of litigation between Hickory and Catawba County as to the terms, performance, or any other aspect of this Agreement, this Agreement shall remain in force and effect during such litigation.

In Witness Whereof, the parties have executed this Agreement the day and year above first written.

CITY OF HICKORY,
A North Carolina Municipal Corporation

By: _____
G. Rudy Wright, Jr., Mayor

ATTEST: (SEAL)

Patricia W. Williams, City Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Timothy T. Inch, Finance Director
City of Hickory

Approved as to form on behalf of the City of Hickory this ____ day of June, 2003.

Larry W. Johnson, Staff Attorney

CATAWBA COUNTY,
NORTH CAROLINA
A Body Politic Corporate In Nature

By: _____
Katherine W. Barnes, Chair
Catawba County Commission

ATTEST: (SEAL)

Thelda B. Rhoney, County Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Rodney Miller, Finance Director
Catawba County, North Carolina

Approved as to form on behalf of Catawba County, this ____ day of June, 2003.

Robert Eades, County Attorney

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

I, _____ a Notary Public of said County and State, certify that Patricia W. Williams personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this _____ day of _____, 2003.

Notary Public

(SEAL)

My Commission Expires: _____

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

I, _____ a Notary Public of said county and state, certify that Thelda B. Rhoney personally came before me this day and acknowledged that she is County Clerk of the Catawba County, North Carolina, a body politic corporate in nature, and that by authority duly given and as the act of the Board of Commissioners of Catawba County, North Carolina, the foregoing instrument was signed in its name and by its Chair, sealed with its corporate seal and attested by her as its County Clerk.

Witness my hand and seal this _____ day of _____, 2003.

Notary Public

(SEAL)

My Commission Expires: _____

RESOLUTION NO. 2003-26

**AUTHORIZATION TO ENTER AGREEMENT WITH HICKORY, NORTH CAROLINA,
FOR THE PURCHASE OF WASTEWATER PLANT CAPACITY AND TREATMENT SERVICES**

WHEREAS, Hickory currently owns a wastewater collection and treatment system (hereinafter referred to as the "System") which lies within Catawba County, North Carolina and which includes that plant located in the Town of Catawba which shall be referred to herein as the "Catawba Plant", and which is capable of servicing the area defined in the Agreement for the Operation, Maintenance and Management of Water Distribution System between Catawba County and the City of Hickory dated August 21, 2000; and

June 16, 2003, MB#49

WHEREAS, Hickory is engaged in the business of operating, maintaining and managing a public wastewater utility; and

WHEREAS, Hickory and Catawba County mutually desire to enter into an agreement to provide for the sale of plant capacity in the Catawba Plant and furnishing treatment of sanitary sewer by Hickory to Catawba County for resale by Catawba County to its customers; and

WHEREAS, the Board of Commissioners has determined that the public health, safety, and welfare of the residents of Catawba County can best be protected by entering into an agreement to provide for the provision of sanitary sewer treatment services in the southeastern part of Catawba County; and

WHEREAS, the City Council of the City of Hickory has determined that Hickory has the present capacity to serve southeastern Catawba County through the provision of sanitary sewer treatment services from the Catawba Plant without impairing the quality of service to residents or other customers of the City of Hickory; and

WHEREAS, Catawba County has adopted into the Catawba County Code, Chapter 42 (formerly Chapter 504), entitled "WATER AND SEWER," including an Amendment to that Chapter, entitled "THE REVENUE SHARING PROGRAM," and Hickory has agreed to enter into the Revenue Sharing Program for the purpose of providing wastewater collection and treatment services Southeastern Catawba County in the area to which this Agreement is applicable;

WHEREAS, Catawba County desires to enter into the agreement with Hickory for the purchase of wastewater plant capacity and treatment services in the Catawba facility from Hickory.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of Catawba County, North Carolina, sitting in open session this 16th day of June, 2003, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, that the Chairman of the Board and County Clerk are given the authority and direction to execute the Agreement presented to the Board and to which this Resolution is attached and to see that the same is filed with the appropriate officers of Catawba County, North Carolina.

Done this 16th day of June, 2003.

**BOARD OF COMMISSIONERS OF
CATAWBA COUNTY,**
A North Carolina Body Politic

By: _____
Katherine W. Barnes, Chair

ATTEST:
(SEAL)

Thelda B. Rhoney, County Clerk

Approved as to form on behalf of Catawba County:

Robert Oren Eades, County Attorney

PREPARED BY: Larry W. Johnson, Staff Attorney, City of Hickory
P.O. Box 398, Hickory, NC 28603

STATE OF NORTH CAROLINA

COUNTY OF CATAWBA

**AGREEMENT FOR
SALE OF WASTEWATER
PLANT CAPACITY
AND TREATMENT SERVICES**

THIS CONTRACT is made and entered into this _____ day of June, 2003, by and between **CATAWBA COUNTY**, a political subdivision of the State of North Carolina and body politic corporate in nature, having a mailing address of P.O. Box 389, Newton, North Carolina 28658, hereinafter referred to as "Catawba County" and **THE CITY**

OF HICKORY, a North Carolina Municipal Corporation, having a mailing address of P.O. Box 398, Hickory, North Carolina 28603, acting by and through the Mayor and the City Council, hereinafter referred to as "Hickory".

WITNESSETH

WHEREAS, Hickory currently owns a wastewater collection and treatment system (hereinafter referred to as the "System") which lies within Catawba County, North Carolina and which includes that plant located in the Town of Catawba which shall be referred to herein as the "Catawba Plant", and which is capable of servicing the area defined in the Agreement for the Operation, Maintenance and Management of Water Distribution System between Catawba County and the City of Hickory dated August 21, 2000; and

WHEREAS, Hickory is engaged in the business of operating, maintaining and managing a public wastewater utility; and

WHEREAS, Hickory and Catawba County mutually desire to enter into an agreement to provide for the sale of plant capacity in the Catawba Plant and furnishing treatment of sanitary sewer by Hickory to Catawba County for resale by Catawba County to its customers; and

WHEREAS, the Board of Commissioners has determined that the public health, safety, and welfare of the residents of Catawba County can best be protected by entering into an agreement to provide for the provision of sanitary sewer treatment services in the southeastern part of Catawba County; and

WHEREAS, the City Council of the City of Hickory has determined that Hickory has the present capacity to serve southeastern Catawba County through the provision of sanitary sewer treatment services from the Catawba Plant without impairing the quality of service to residents or other customers of the City of Hickory; and

WHEREAS, Catawba County has adopted into the Catawba County Code, Chapter 42 (formerly Chapter 504), entitled "WATER AND SEWER," including an Amendment to that Chapter, entitled "THE REVENUE SHARING PROGRAM," and Hickory has agreed to enter into the Revenue Sharing Program for the purpose of providing wastewater collection and treatment services to Southeastern Catawba County in the area to which this Agreement is applicable;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms contained herein, the parties hereto, intending to be legally bound hereby, agree as follows:

1. REPRESENTATIONS, TERMS AND CONDITIONS

- 1.1 Catawba County, North Carolina, is a political subdivision of the State of North Carolina and a body politic corporate in nature. Catawba County has the requisite power and authority to enter into this Agreement, and the signatories hereto have been authorized to execute the documents necessary on behalf of Catawba County by the Board of Commissioners of Catawba County, North Carolina.
- 1.2 The City of Hickory is a Municipal Corporation created as a political subdivision of the State of North Carolina. Hickory has the requisite power and authority to enter into this Agreement, and the signatories hereto have been authorized to execute the documents necessary on behalf of the City of Hickory by the City Council.
- 1.3 Catawba County and Hickory each have among their powers the authority to contract with one another to perform such undertaking as described in this Agreement.
- 1.4 Entry into this Agreement by either party will not violate any law, judgment, order, ruling or regulation applicable and does not constitute a breach of or default under any agreement or instrument by which either of the entities is bound.
- 1.5 Catawba County and Hickory each has or holds, and will continue to have or hold through the date of transfer and closing, all appropriate permits necessary to effectuate their respective responsibilities under this Agreement or will use their best efforts to obtain such permits.
- 1.6 In the event that any superior government or regulatory body shall decline to approve this sale or the transfer of any material component, including authority to operate the System or associated identification numbers required for operation, this Agreement may be rescinded at the option of either

of the parties, within ninety (90) days of the date of notification of the action by such superior government or regulatory body. In the event any superior government or regulatory body shall decline to approve this sale or the transfer of any material component, each of the parties shall restore the other to its position prior to entry into this Agreement.

- 1.7 Chapter 42 (formerly Chapter 504), Revenue Sharing, of the Catawba County Code is incorporated by reference as if more fully set forth unless specifically altered herein. In the event of a conflict between Chapter 42 and this Agreement, this Agreement shall govern.

2. INDEBTEDNESS AND REVENUE

- 2.1 To Catawba County's knowledge, there are no claims, suits, actions pending or judgments entered which, if successful, would create an encumbrance upon the revenues of the County which would have a priority over Hickory's entitlement to the revenues of the sanitary sewer system pursuant to this Agreement or which otherwise would have a material adverse effect on the ability of either Catawba County or Hickory to perform their obligations hereunder.
- 2.2 No litigation is pending or threatened against Catawba County which would impair its ability to perform its duties and obligations under this Agreement.

3. PURCHASE PRICE AND TERM

- 3.1 Hickory does hereby grant, bargain, sell and convey to Catawba County capacity rights in Hickory's Town of Catawba Waste Water Treatment Plant to the extent of one hundred thousand (100,000) gallons per day.
- 3.2 The price for such capacity shall be One dollar and sixty cents (\$1.60) per gallon, with the entire purchase price to be paid on or before August 1, 2003.
- 3.3 Nothing in this agreement shall imply or contrive any ownership rights by Catawba County in any waste water treatment facility, but conveys only the guaranteed right to purchase treatment services for sanitary sewer at the rates established herein, or as the same may be hereafter modified pursuant to the terms of this Agreement. Hickory shall at all times remain the Owner and Operator of the System or any additions thereto or extensions thereof.

4. Additions, Extensions or Connections to the System

- 4.1 Hickory may request, or Catawba County may propose, additions, extensions or connections to the System, the plans for which shall be either designed by Catawba County or its agent and which are subject to review and approval by Hickory.
- 4.1.1 Additions, extensions or connections to the System shall be the responsibility of Catawba County.
- 4.1.2 If the City, upon its own initiative, proposes to make an addition, extension, or connection to the System, the County shall within twenty (20) days notify the City of its intention to participate in the addition, extension or connection. If the County opts to participate in the addition, extension or connection, its participation will be governed by this agreement. If the County opts not to participate in any addition, extension, or connection, the City retains the right to proceed with no participation from the County. In such event, the County shall receive no revenue generated by the increased customer base served by the System.
- 4.2 Replacement of substantial components, such as transport or collection pipes, pump stations, storage tanks, and other similar items as are determined by the Operations Committee created in the Agreement for Operation, Maintenance and Management of Water Distribution System between Catawba County and the City of Hickory dated August 21, 2000, with the exception of the Conover representatives, to be "substantial components" of the System, shall constitute Capital Improvements. Replacement of such components shall be the obligation of the County when the cost of reasonable maintenance and repairs becomes so prohibitive that it is no longer economically effective to continue making such repairs, or when customer demand on the System increases, through population or industrial growth in the area serviced by

the System, to the point that the System is no longer adequate to meet the demands of the customer base. After construction of any Capital Improvement, the same shall become a part of the System.

- 4.3 If, at any time during the existence of this agreement, insufficient capacity exists in the Catawba Wastewater Treatment Plant to service potential customers within the service area as the same may be expanded from time to time, and expansion of the water treatment plant is required to enable such customers to locate within the service area, Catawba County may, at its option, chose to participate in funding design and construction of such additional amount of treatment capacity needed to serve the potential customers. If Catawba County chooses to fund such construction, then Hickory will provide service to the potential customer. If expansion of the Catawba Wastewater Treatment Plant is required, the parties shall enter into a separate agreement at that time defining the various rights and responsibilities of each relating to said construction.

5 PURCHASE OF WASTEWATER TREATMENT SERVICES

5.1 Catawba County shall pay to Hickory for services provided under this agreement at the following rates and upon the following terms:

5.1.1 Ninety (90¢) per thousand gallons of wastewater treatment services as measured by the meters installed as described elsewhere in this Agreement from July 1, 2003 until June 30, 2004. Such rate shall be subject to review and adjustment thereafter on an annual basis, PROVIDED, that at no time shall Catawba County pay a rate higher than the rate paid by any other similarly situated user of wastewater treatment services provided by the City of Hickory pursuant to an agreement entered into between Hickory and any other party on or after the date of this Agreement.

5.1.1.1 No increase in price shall be greater in percentage than the percentage increase in the Consumer Price Index for the preceding twelve (12) months, and no increase in price shall be charged to Catawba County unless it is also charged to other similarly situated users of wastewater treatment services provided by the City of Hickory pursuant to an agreement entered into between Hickory and any other party.

5.1.1.2 Prices shall not be adjusted more frequently than annually, normally on July 1 of each calendar year. Hickory shall notify Catawba County not later than April 1 of each year prior to any price increase.

5.1.2 The rates established herein shall commence on July 1, 2003, and unless earlier terminated in accordance with the terms hereof, shall expire on the 30th day of June, 2023. The provisions of this Agreement may thereafter be extended by written notice from the Catawba County to the City of Hickory under the same terms and conditions as contained herein for a period of twenty (20) years, or until June 30, 2042.

5.1.3 Services provided under this agreement by Catawba County shall be paid for monthly and all bills not paid within thirty (30) days after receipt of the bill shall be deemed delinquent;

5.1.4 In the event that services provided during any calendar month shall not be paid for by the end of the succeeding calendar month, Catawba County shall pay, in addition to the basic sum provided in this agreement, an additional sum equal in percentage to the percentage charged to other customers in case of nonpayment for services provided.

5.2 Catawba County expressly covenants and agrees that appropriations shall be made in accordance with the laws of the State of North Carolina and the ordinances of Catawba County, from time to time, appropriating an amount or amounts of money sufficient to pay for any and all services provided or to be provided to Catawba County, and any and all costs, charges, expenses, and advancements agreed by Catawba County to be paid or made under any of the provisions or terms of this agreement.

5.3 Catawba County further agrees that it will at all times charge its sanitary sewer consumers sufficient rates set by Catawba County in its sole discretion in order to provide adequate funds for the payment of services provided it by Hickory.

- 5.4 In addition to the price provided to be paid for services provided in under this Agreement by Catawba County, Catawba County agrees to pay such amount, if any, as may be taxed, levied, charged or assessed upon Hickory by any taxing authority, whether as a sales tax, occupational tax or otherwise, on account of services provided under this agreement.
- 6 Subject to the provisions of this Agreement, Hickory reserves the right at any time during the term of this contract to classify sanitary sewer / wastewater treatment consumers and to fix rates for each class of consumer; also to fix rates for services provided to Catawba County and other governmental entities and persons or entities, for consumption of services provided outside the corporate limits of Hickory, higher than the rates fixed for services provided to consumers of the same class for consumption of services provided within the corporate limits of Hickory, subject to such limitations as are then applicable by law and as set forth in this Agreement.
- 6.1 Catawba County shall provide and install at its own cost and expense, at such points as shall be agreed upon by the parties, a wastewater flow meter or meters, shutoff gate or gates, and such other appliances or devices as may be deemed necessary by mutual agreement of the parties for the purpose of taking and measuring the quantity of water to be treated under this agreement, of such type, size and design as shall be satisfactory to and approved by Hickory, and the entire installation of it shall be under the direction of and performed in a manner satisfactory to and approved by Hickory.
- 5.6.1 If, at any time, the meter or meters used at any connection or appliance provided shall be unsatisfactory to Hickory or shall be out of repair, they shall be replaced or repaired by Catawba County at its expense promptly, under the supervision of and satisfactory to Hickory, and in the event that such replacements and/or repairs shall not be made immediately by Catawba County or shall not be satisfactory to Hickory, the replacement or repairs shall be made by Hickory, and the cost and expense of it shall be charged to and paid by Catawba County upon demand.
- 5.6.2 It is further agreed that if, at any time, a meter or meters shall fail to correctly register the quantity of water used or the flow through the same, such amounts shall be determined by taking the average of the twelve preceding readings of such meter or meters, excluding excessive or deficient readings; where such meter or meters have been installed for a lesser period than one year or where less than twelve competent readings exist, such estimate may be based on the largest possible number less than twelve of good readings taken preceding or subsequent to such incorrect or stopped registration.
- 5.7 The system created herein may be expanded by either of the parties to serve any area which the party may lawfully serve as long as such expanded service does not exceed the capacity owned by the party seeking to provide such service. No fees shall be charged by Catawba County for wastewater passing through the system and to enable the sale of treatment services by Hickory to customers outside the system.

6. RIGHTS AND OBLIGATIONS OF CATAWBA COUNTY

- 6.1 Catawba County shall immediately notify Hickory upon becoming aware of the presence of hazardous or toxic waste or materials, and shall immediately notify such other governmental agencies as may be required by law and shall take such further actions which in its opinion is necessary to assist Hickory in protecting the health, safety and welfare of the public.
- 6.2 Catawba County shall have the right to sell or provide sanitary sewer wastewater treatment services to any individual or entity in accordance with the terms of this Agreement, EXCEPT, that Catawba County shall not furnish such services to any other municipality, county government or sanitary district.
- 6.3 Catawba County shall have the right to serve and sell sanitary sewer wastewater treatment services it purchases from Hickory to any person or entity at such price and upon such terms as Catawba County deems appropriate, EXCEPT, Catawba County shall not sell or furnish sanitary sewer wastewater treatment services to any entity at a cost which is less than the price paid to Hickory for such wastewater treatment services.
- 6.4 Catawba County shall have the right and option to tap into Hickory's wastewater collection lines at any point or points within the System and to run any line or lines from such point or points for the purpose

of collecting wastewater as set out in this Agreement, PROVIDED, that no tap shall be made into any line smaller than Eight (8) inches in diameter, and all taps must be four (4) inches or larger.

- 6.5 Catawba County agrees to comply with any and all sanitary regulations of Hickory and the present and future rules, regulations and instructions of Hickory applicable to sanitary sewer systems as are in force in the Hickory wastewater treatment system.
- 6.6 Catawba County further agrees that the duly authorized engineers and inspectors of Hickory, in collaboration with the representatives of Catawba County shall be allowed to make inspections and require tests for tightness of the piping of the installations and fixtures, and of all plants or other buildings of sanitary sewer users within the territorial limits of Catawba County or Catawba County's extraterritorial jurisdiction.
- 6.7 Catawba County further agrees to make such changes in its piping and to eliminate such cross-connections or other connections as in the judgment of Hickory are necessary.
- 6.8 The failure, neglect or refusal on the part of Catawba County to make promptly and properly such changes in its piping, to maintain tightness or to eliminate undesirable connections upon notice in writing so to do from Hickory shall furnish sufficient grounds for Hickory to discontinue the service under this Agreement until changes and corrections in the piping or connections required by Hickory are made by Catawba County.
- 6.9 Catawba County shall at no time have any obligation or authority as the Operator of the System as defined herein. Hickory shall at all times remain the Owner and Operator of the wastewater collection and treatment system used to provide services pursuant to this Agreement.

7. RIGHTS AND OBLIGATIONS OF HICKORY

- 7.1 Hickory shall manage, operate, maintain and repair the System at all times under the same terms and conditions, and upon an equal footing with the System currently owned and operated by the City of Hickory, and in compliance with all federal, state and local laws, regulations and Permits. Hickory shall at all times strive to keep the System in good repair and working order and shall manage, operate, maintain, repair and improve the System in an efficient and economical manner in accordance with prudent industry and utility practice.
- 7.2 Subsequent to the effective date of this Agreement, Hickory shall provide, at its sole cost and expense, all labor, materials, machinery, vehicles, equipment, office equipment, fuel, power, chemicals, supplies, materials, spare parts, expendables, consumables, testing and laboratory analysis and all else necessary therefore or incidental to the management, operation, maintenance and repair of the System in accordance with this Agreement and all applicable laws, ordinances and regulations. Maintenance and operations of the System shall include, but is not limited to, the following:
 - 7.2.1 routine painting and repairs of structures, both interior and exterior;
 - 7.2.2 upon discovery, removal and replacement of broken or inoperable valves critical to the safe operation of the System;
 - 7.2.3 repair of main and service breaks;
 - 7.2.4 calibration of instruments as necessary;
 - 7.2.5 removal and replacement of broken, inaccurate or inoperable customer meters;
 - 7.2.6 reading of master meters reflecting services required to the County as required for billing purposes (but specifically excluding meters of individual customers, except as required pursuant to the Agreement for Operation, Maintenance and Management of Water Distribution System between Catawba County and the City of Hickory dated August 21, 2000);
 - 7.2.7 disposal of all sludges, scums, screenings, grit, debris, trash, etc. from the System;
 - 7.2.8 sampling, testing, analysis and reporting; and
 - 7.2.9 all else necessary therefor or incidental thereto to protect the health, safety and welfare of the users and as required by industry standards and utility practices.

- 7.3 Hickory shall as promptly as is reasonable respond to all customer problems and emergencies relating to the System. All repairs and/or any improvements to the System shall be made by Hickory in accordance with existing ordinances, policies and procedures relating to work of this nature within the City of Hickory, regardless of whether or not the actual location of such repair and/or improvement shall be within or without the corporate limits of the City of Hickory.
- 7.4 Hickory shall manage, operate, maintain and repair the System at all times on behalf of Catawba County in compliance with all federal, state and local laws, regulations and permits and in accordance with this Agreement. Hickory, at all times, shall keep the System in good repair and working order and shall manage, operate, maintain and repair the System in an efficient and economical manner, all in accordance with this Agreement, and otherwise in accordance with prudent industry and utility practice. Hickory shall, at its sole cost and expense, perform or cause to be performed, all laboratory sampling, analysis and reporting, as necessary for compliance with all federal, state, local or other regulations and requirements having the force of law, as well as that which is customary for process monitoring and control.
- 7.5 Hickory shall comply with all reporting requirements related to its operations and the operation, maintenance and management of the System, as mandated by federal, state and local laws, regulations, and permits.
- 7.6 Hickory shall maintain up-to-date financial records as they apply to the services rendered under the terms of this Agreement. All financial statements shall be prepared in accordance with Generally Accepted Accounting Principles, consistently applied.
- 7.7 Hickory shall provide a staff of qualified and experienced employees who have direct experience in operating, maintaining and managing a wastewater treatment system similar in nature and character to the System.
- 7.8 Hickory may adopt any protective or health measures it deems advisable or desirable for the benefit of its wastewater customers in any manner that Hickory shall see fit.
- 7.9 Hickory shall provide results of testing and sampling to Catawba County upon Catawba County's reasonable request. Catawba County shall also have the option, but not the obligation, to perform testing and sampling of treated sanitary sewer prior to discharge, and Hickory shall cooperate with Catawba County in securing the same.
- 7.10 Hickory shall provide treatment of sanitary sewer wastewater, in compliance with all Federal, State and local regulations, including, but not limited to, the quality of water discharged.
- 7.11 Hickory will, where applicable, comply with, satisfy, and pay all costs or fees associated with, all regulatory requirements pertaining to compliance with all applicable local, state and federal laws, codes, ordinances and regulations as they pertain to the System other than those associated with installation and construction of new infrastructure or other improvements to the System.

8. EMERGENCY SITUATIONS

- 8.1 Hickory shall notify Catawba County of any activity, problem, or circumstance it should reasonably become aware of which threatens the safety, health or welfare of the users of the system or the residents of Catawba County as soon as is reasonably possible.
- 8.2 In the event of damage or destruction of the wastewater treatment facilities or any emergency which, in the reasonable judgment of Hickory, is likely to result in material loss or damage to the system or constitute a material threat to human health or safety, Hickory may suspend services to Catawba County.
- 8.3 Hickory's response to emergencies and unusual circumstances shall be in accordance with applicable policies, regulations and requirements and with such personnel and equipment as necessary to maintain or restore the operations in a timely manner with the least possible disruption or inconvenience to Catawba County.
- 8.4 Hickory shall have access to and the right to adjust and control valves and meters in order to limit the flow of wastewater as provided in this agreement and for the purpose of meeting any and all emergencies and necessitous requirements.
- 8.5 In the event that, for any reason outside the control of Hickory, the wastewater treatment plant functionality available through the Hickory system is at any time is insufficient to take care of the needs of all users, then in that case, Catawba County shall bear its pro rata share of such insufficiency and neither Hickory nor elected officials, officers, directors, agents or employees, either jointly or severally,

shall be in any way liable or responsible or answerable for any loss, damage or injury, directly or indirectly, due or alleged to be due to such insufficiency.

- 8.6 Notwithstanding any provision herein to the contrary, Catawba County shall have the right to purchase wastewater treatment services from some other source without violating this agreement if at any time Hickory is unable to fulfill its obligation to provide sanitary sewer treatment services pursuant to this Agreement for any period in excess of forty-eight (48) consecutive hours.

9. DEFAULT AND TERMINATION

- 9.1 This Agreement may be terminated prior to its stated expiration date by Catawba County or Hickory on the terms and conditions set forth herein. The rights of Catawba County and Hickory to terminate this Agreement shall be strictly construed in accordance with the provisions herein.

9.2 Termination for cause by Catawba County.

- 9.2.1 Upon the happening of any of the following events of default by Hickory, Catawba County shall have the right, at its option, to terminate this Agreement:

9.2.1.1 The failure of Hickory to perform or observe any of its material covenants, agreements, obligations and/or duties created by this Agreement.

9.2.1.2 The failure by Hickory to provide wastewater treatment services in accordance with the material terms and provisions of this Agreement, except in cases of Emergency as provided in Article 8 herein.

9.2.1.3 The determination that any representation, warranty or covenant made by Hickory is false and/or misleading in any material respect;

9.2.1.4 The commencement of any bankruptcy, insolvency, liquidation and/or similar proceeding against Hickory, which materially and adversely affects Hickory's ability to perform its duties or obligations under this Agreement.

- 9.2.2 Upon the happening of any event described in the preceding section, Catawba County shall provide written notice to Hickory setting forth in detail the alleged failure and/or deficiency, after which Hickory shall have thirty (30) days after receipt of such written notice to cure and/or correct such failure and/or deficiency, or to deliver to Catawba County a written notice alleging that no such event has occurred and setting forth in detail its reasoning as to why no such event has occurred.

9.3 Termination for cause by Hickory.

- 9.3.1 Upon the happening of any of the following events of default by Catawba County, Hickory shall have the right to terminate this Agreement:

9.3.1.1 The failure of Catawba County to perform or observe any of its material covenants, agreements, obligations and/or duties created by this Agreement.

9.3.1.2 The determination that any representation, warranty or covenant made by Catawba County is false and/or misleading in any material respect.

9.3.1.3 The commencement of any bankruptcy, insolvency, liquidation and/or similar proceeding against Catawba County which materially and adversely affects Catawba County's ability to perform its duties or obligations under this Agreement.

- 9.3.2 The failure of Catawba County to make any payment required to be made by it pursuant to the terms of this Agreement within thirty (30) days of its receipt of notice from Hickory that any such payment is overdue.

- 9.3.3 The failure of Catawba County, upon undertaking the construction of new lines as authorized pursuant to this Agreement, to proceed toward the completion of construction of the same in a timely manner.

- 9.3.4 Upon the happening of any event described within this Article, Hickory shall provide written notice to Catawba County setting forth in detail the alleged failure and/or deficiency, after which Catawba County shall have thirty (30) days after receipt of such written notice to cure and/or correct such failure and/or deficiency, or to deliver to Hickory a written notice alleging

that no such event has occurred and setting forth in detail its reasoning as to why no such event has occurred.

9.3.5 In the event that negotiations are occurring in good faith for the continuance of this Agreement upon its expiration on June 30, 2042, or upon notice of any condition of default and intent to terminate by either party to the other, the same shall continue in full force and effect under the terms established herein, as the same may be amended in writing from time to time, until the execution of a new Agreement or the parties cease negotiation and either opts to terminate the relationship.

9.4 Each of the parties to this Agreement shall be entitled to pursue a claim against the other for any non-monetary remedies available and any additional actual damages suffered as a result of any default of the other, plus attorneys' fees. Notwithstanding anything in this Agreement to the contrary, neither party shall be responsible to the other for any indirect, third-party or consequential damages arising from a breach of this Agreement.

9.5 The termination of services or disconnection of the system for any such cause shall not release Catawba County from its obligation to make payment of any amount or amounts due or to become due in accordance with the terms of this agreement.

10. MISCELLANEOUS PROVISIONS

10.1 To the extent allowed by law, Hickory shall indemnify, defend and hold harmless Catawba County, its elected and appointed officers, and its duly authorized agents, servants and employees from any and all costs, expenses or liabilities (including costs, expenses or liabilities to third parties and attorney's fees) which are caused by or arise from Hickory's breach of this Agreement or the negligent or willful acts or omissions of Hickory or its agents, servants, employees or subcontractors provided such cost, expenses or liabilities do not arise as a result of the negligent or willful acts or omissions of Catawba County.

10.2 To the extent allowed by law, Catawba County shall indemnify, defend and hold harmless Hickory, its elected and appointed officers, and its duly authorized agents, servants and employees from any and all costs, expenses or liabilities (including costs, expenses or liabilities to third parties and attorney's fees) which are caused by or arise from Catawba County's breach of this Agreement or the negligent or willful acts or omissions of Catawba County or its agents, servants, employees or subcontractors provided such cost, expenses or liabilities do not arise as a result of the negligent or willful acts or omissions of Hickory.

10.3 All notices given pursuant to the terms of this Agreement shall be in writing and delivered in person or transmitted by certified mail, return receipt requested, postage prepaid, to the following entities:

Hickory: Hickory City Manager
 P.O. Box 398
 Hickory, North Carolina 28603

Catawba County: Catawba County Manager
 P.O. Box 389
 Newton, North Carolina 28658

10.4 This Agreement embodies the entire Agreement between the parties in connection with this transaction, and there are no oral or parole agreements, representations or inducements existing between the parties relating to this transaction, which are not expressly set forth herein and covered hereby. This Agreement may not be modified except by a written agreement signed by all of the parties. Neither Party shall be entitled to sell, convey or otherwise alienate the rights and obligations created herein without the prior written permission of the other Party to this Agreement.

10.5 Nothing contained herein shall be construed to place the parties in the relationship of partners or joint venturers, and neither party shall have the power to obligate or bind the other party in any manner whatsoever.

10.6 No written waiver by any party at any time of any breach of any other provision of this Agreement shall be deemed a waiver of a breach of any provision herein or a consent to any subsequent breach of the same or any other provisions. If any action by any party shall require the consent or approval of

another party, such consent or approval of such action on any occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion.

- 10.7 The various rights, powers and remedies herein contained and reserved to either Catawba County or Hickory shall not be considered as exclusive of any other right, power or remedy, but the same shall be construed as cumulative and shall be in addition to every other right, power or remedy now or hereafter existing at law, in equity or by statute. No delay or omission of a party to exercise any right, power or remedy arising from any omission, neglect or default of the other party shall impair any such right, power or remedy or shall be construed as a waiver of any such default or an acquiescence therein.
- 10.8 In the event either of the parties receives notice of or undertakes the defense or the prosecution of any actions, claims, suits, administrative or arbitration proceedings or investigations in connection with this Agreement, the party receiving such notice or undertaking such prosecution shall give the other party timely notice of such proceedings and will inform the other party in advance of all hearings regarding such proceedings.
- 10.9 The captions, section numbers and article numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe or describe the scope of such paragraphs or articles of this Agreement nor in any way affect this Agreement.
- 10.10 This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina.
- 10.11 Time shall be of the essence of this Agreement and each and every term and condition thereof.
- 10.12 Words of any gender used in this Agreement shall be held to include any other gender, and words in the singular number shall be held to include the plural, when the sense requires.
- 10.13 This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.
- 10.14 Both Catawba County and Hickory acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by Counsel for both Catawba County and Hickory. As such, the doctrine of construction against the drafter shall have no application to this Agreement.
- 10.15 Each of the parties agrees that this Agreement is not an executory contract subject to assumption as defined by the Bankruptcy Code. The parties further specifically acknowledge that this provision is critical to the Agreement and was bargained for and part of the consideration for the Agreement.
- 10.16 This agreement is subject to cancellation by the City of Hickory in the event the Supreme Court of the United States of America or any other court of competent jurisdiction decrees that Hickory has no right to contract for, sell, disperse, or distribute wastewater treatment services or limits the amount of wastewater treatment services Hickory may use for domestic pumpage or otherwise places a burden on Hickory in connection with the discharge of treated wastewater at any location lawful at the time of entry into this Agreement, provided that Hickory has actively opposed such determination and has advised Catawba County of the existence of such litigation and provides them the opportunity to participate in the same.
- 10.17 If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.
- 10.18 In the event of litigation between Hickory and Catawba County as to the terms, performance, or any other aspect of this Agreement, this Agreement shall remain in force and effective during such litigation.

In Witness Whereof, the parties have executed this Agreement the day and year above first written.

June 16, 2003, MB#49

CITY OF HICKORY,
A North Carolina Municipal Corporation

ATTEST:
(SEAL)

By: _____
G. Rudy Wright, Jr., Mayor

Patricia W. Williams, City Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Timothy T. Inch, Finance Director
City of Hickory

Approved as to form on behalf of the City of Hickory.

Larry W. Johnson, Staff Attorney

CATAWBA COUNTY,
A Body Politic Corporate in Nature

ATTEST:
(SEAL)

By: _____
Katherine W. Barnes, Chair
Catawba County Commission

Thelda B. Rhoney, County Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Rodney Miller, Finance Director
Catawba County, North Carolina

Approved as to form on behalf of the Catawba County.

Robert Oren Eades, County Attorney

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said County and State, certify that Patricia W. Williams personally came before me this day and acknowledged that she is City Clerk of the City of Hickory, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the City Council of the City of Hickory, the foregoing instrument was signed in its name and by its City Manager, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this _____ day of _____, 2003.

(SEAL)

Notary Public

My Commission Expires: _____

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said county and state, certify that Thelda B. Rhoney personally came before me this day and acknowledged that she is Town Clerk of the Catawba County, North Carolina, a body politic corporate in nature, and that by authority duly given and as the act of the Board of

Commissioners of Catawba County, North Carolina, the foregoing instrument was signed in its name and by its Mayor, sealed with its corporate seal and attested by her as its Town Clerk.

Witness my hand and seal this _____ day of _____, 2003.

Notary Public

(SEAL)

My Commission Expires: _____

County Manager J. Thomas Lundy said Phase II is in the budget for next year and Phase III is in the County's CIP for the following year. He said Commissioner Beatty requested that staff work with DOT to make sure the line is compatible with the eventual alignment of Hwy. 16.

Commissioner Lail asked how much capacity currently passes through the Conover line.

Mr. Edwards said approximately 700,000 gallons per month, and the County's capacity is 300,000 gallons per day for a charge of \$11,000 to \$17,000 annually. He said they will eventually use 87,500 gallons per day after several developments are completed. In 2005 the County will go over its 300,000 per day figure once 30 percent of development completed.

Commissioner Beatty asked if anyone had corresponded with the business customers.

Mr. Edwards said no; but, notices are mailed to businesses when the bids go out.

Chair Barnes said Mayor Wayne Dellinger, City of Newton had requested to speak.

Mayor Wayne Dellinger, City of Newton, spoke and questioned whether Catawba County was getting back in the water business. He asked if the County was going to continue to furnish capital for infrastructure and lines and let the municipalities put water in the system as it presently does. He said they had a clause in their contract that, if at any time the County gets a better rate, better pressure, or quality, it has a right to give the current provider refusal and the refusal was not in the 40-year Hickory contract. He said the County does not pay capacity fees with Newton's contract and he does not believe it is fair. The County is currently using only 1/12 of the capacity. He said Newton's problem was with the capacity fees. Newton couldn't supply water for everyone in Catawba County; but they have enough water to furnish drinking water to the citizens in an emergency. He said Newton was going to run lines to Iredell County and also to Taylorsville.

Chair Barnes said the County negotiated contracts with Newton and those contract issues were history.

Mr. Lundy said, years ago, the County, in giving money to the Town of Catawba, provided funds for Catawba to buy capacity in Newton's plant. He said the County used to own and operate a plant, but that this agreement is only for distribution and he did not foresee the County operating a water plant again.

Commissioner Lail said she would like for everyone to come to the table and disclose their plans. She would like this issue tabled until after discussions with other Boards and the UTAC Committee. She said she had difficulty justifying this when the County is currently using 1/12 of the water.

County Attorney Robert Eades said Mr. Dellinger was complaining about an existing contract with Hickory that says the County can get out of that contract. Mr. Eades said Commissioners were now talking about an agreement to purchase capacity, a one-time fee, in the City of Hickory's water plant.

Commissioner Lail made a motion to table the issue until all municipalities and UTAC committee meets and requested that the study be done as quickly as possible.

Chair Barnes requested a show of hands for those in favor of the motion.

Voting aye: Beatty, Lail

Voting nay: Barnes, Barger, Hunsucker

Chair Barnes said the motion was defeated.

Chair Barnes said the issue before the board was future capacity.

Commissioner Lail asked why buy capacity.

Mr. Lundy said Catawba County has always looked long-term. Hickory has presented an alternative allowing the County to buy capacity now at today's cost which gives the County assurance of having capacity available for any lines that the County wishes to run to provide water service in the future.

Mayor Rudy Wright read the following letter from the City of Hickory:

"Dear Chairperson Barnes and Members of the Board:

The City of Hickory currently enjoys a number of cooperative ventures and agreements with Catawba County, and the Hickory City Council graciously requests your approval this evening of (2) agreements that will provide for future capacity in the City's permitted 32-million-gallon-per-day Lake Hickory Water Treatment Facility and the Catawba Wastewater Treatment Facility on the Catawba River.

The Hickory City Council has unanimously approved both agreements.

The City has an abundant supply of water via the Catawba River, and the City operates a state-of-the-art water filtration plant on Lake Hickory. We are pleased to allocate capacity in this plant to Catawba County to meet current and future water needs to serve the County's public schools, residential, and industrial/commercial customers. Service will be provided directly by Hickory and in conjunction with our other water partners: Conover/Claremont, Maiden, and Catawba. The City also pleased to allocate 100,000 gallons of wastewater treatment capacity in its newly acquired Catawba Wastewater Treatment Facility that will likewise provide sewer service to Catawba County's public schools, residents, and industrial/commercial customers. We look forward to these newest ventures with Catawba County that are mutually beneficial and that will have significant, positive environmental impact to those areas of the County projected to experience high growth.

We will continue to operate our facilities in accordance with all State and Federal requirements using the most advanced technologies. We will continue to keep our water and sewer rates among the lowest in the State. A survey published in December 2002 by the North Carolina League of Municipalities indicated that Hickory's rates for both utilities are among the lowest in North Carolina. These agreements with Catawba County will certainly add to our economy of scale and will assist in keeping our rates low.

Thank you for the opportunity to work with you.

Sincerely,
G. Rudy Wright, Jr., Mayor"

Mayor Wright said, many years ago, the City of Hickory built a water facility larger than was needed at the time. He said the City is going to commit 32 million gallons either to the City of Hickory or other municipalities.

Commissioner Barger asked if the mode of doing business with other customers was to sell capacity.

Mayor Wright said yes. Hickory bought Catawba's water distribution lines and wastewater systems. Maiden bought capacity in Hickory's system.

Mr. Lundy briefly reviewed both contracts being considered.

Al Gaither, Alderman, City of Newton, said Hickory has an unlimited supply of water and is in the business of selling water. He thought all municipalities in the County were going to one water system with two plants. There were willing to sell their water plant to Hickory and have one municipality selling water in Catawba County. They want to be included and are willing to work with the county.

Commissioner Lail said it is a bigger issue than water and is a matter of working together for the benefit of all citizens in Catawba County.

Commissioner Barger said he agreed with Ms. Lail and the Boards need to work together for all citizens.

Chair Barnes said there is a committee meeting scheduled on July 8 with the Mayors, Mayors Pro Tem, Managers, Catawba County Chair and Vice Chairman, and the committee has agreed to hold quarterly meetings to discuss Countywide issues.

Jim Templeton, North Newton, said he did not understand why he has to pay taxes for Hickory to run water to the lower part of Catawba County.

Commissioner Hunsucker said this is for the benefit and future of the Catawba County.

Mr. Tom Rowe, Alderman, City of Newton, said Catawba County should not be in the business of buying capacity.

After a lengthy discussion, Commissioner Hunsucker made a motion to approve the aforementioned Resolutions and Agreements with the City of Hickory for water and wastewater capacity.

Chair Barnes called for the vote by a show of hands.

Voting Aye: Barnes, Barger, Hunsucker

Voting Nay: Beatty and Lail

Chair Barnes stated the motion carried 3-2 to approve the aforementioned Resolutions and Agreements with the City of Hickory for water and wastewater capacity.

8. Attorneys' Report.

9. Manager's Report.

a. Adoption of the Catawba County Annual Budget for Fiscal Year 2003-2004.

County Manager J. Thomas Lundy said staff had made all changes from the Wrap-up session in the budget ordinance and the revenue and expenditures sheets.

Commissioner Barger made a motion to approve the following budget ordinance for FY 2003-2004. The motion carried unanimously.

BUDGET ORDINANCE NO. 2003-13

BE IT ORDAINED by the Board of Commissioners of Catawba County:

SECTION I

Budget Adoption, 2003/04

The following budget with anticipated fund revenues of \$170,092,724 and departmental expenditures of \$170,092,724 (see pages 14 through 19 of the budget document for breakdown) is hereby adopted in accordance with G.S. 159 by the County of Catawba for the fiscal year beginning July 1, 2003, and ending June 30, 2004, and the same is adopted by fund and department.

The following procedures, controls, and authorities shall apply to transfers and adjustments within the budget except for the budgets of the Reinventing Departments as shown in Section II.

- A. Transfers Between Funds: Transfers of appropriations between funds may be made only by the Board of Commissioners with the exception of merit, reclassification funds, and contingency which the County Manager has the authority to transfer.
- B. Transfers Between Departments: Transfers of appropriations between departments in a fund and from contingency shall be approved by the Board of Commissioners or may be approved by the County Manager in conformance with the following guidelines:

1. The County Manager finds that they are consistent with operational needs and any Board approved goals.
 2. Inter-department transfers do not exceed \$50,000 each.
 3. Transfers from Contingency appropriations do not exceed \$50,000 each unless the County Manager finds an emergency exists.
 4. All transfers between departments and funds are reported to the Board of Commissioners no later than its next regular meeting following the date of the transfer.
- C. Transfers Within Departments and Activities: Department Heads may transfer line item appropriations between activities within the departments under their jurisdiction with the approval of the Budget Manager.
- D. Transfers Within Activities in a Department: Department Heads are hereby authorized to transfer line item appropriations within activities under their jurisdiction with the approval of the Budget Manager.
- E. Transfers of Appropriations from Contingency or Departments for Real Estate Transactions: Transfers of appropriations from Contingency or departments may be made by the County Manager in order to secure options, pay deposits, or pay other necessary expenses related to real estate transactions approved by the Board of Commissioners.
- F. Transfers of Capital Projects Appropriations: Transfers of appropriations between projects within a capital project fund shall be approved by the Board of Commissioners, except that such transfers may be approved by the County Manager when they are necessary to expedite planned work and when they do not adversely affect any approved project. All manager-approved transfers shall be reported to the Board of Commissioners no later than its next regular meeting.
- G. Transfers of Appropriations From Special Departmental Expense and Revenue Contingencies: Transfers of appropriations may be made by the County Manager from special departmental expense and revenue contingency accounts that have been set aside to accommodate mid-year adjustments for allocations from outside agencies. The budget for such special departmental contingency expenditures will not be used until revenues are received and the related funds are transferred out of the contingency accounts to an appropriate line item.

SECTION II

Amendment to Procedures, Controls, and Authorities for Reinventing Departments

The following procedures, controls, and authorities shall apply to transfers, personnel, and adjustments within the budget for the Reinventing Departments, as determined by the County Manager:

- A. As part of this process, the County's fund balance has been maintained by taking into account the average amount of unexpended funds turned back at the end of each year and making a one time reduction in each Reinventing Department's allotment by that amount.
- B. The Board of Commissioners will appropriate funds for the Reinventing Departments based on approved outcomes to be achieved during the fiscal year.
- C. Department Heads are hereby authorized to transfer appropriations between activities or from special department contingencies under their jurisdiction. Requests for transfers from the General Fund contingency must be approved by the County Manager. The budget for such special departmental contingency expenditures will not be used until revenues are received and the related funds are transferred out of the contingency accounts to an appropriate line item.
- D. Department Heads within the Reinventing Departments are hereby authorized to reallocate existing positions between activities under their jurisdiction.
- E. Departments will be allowed to retain all unexpended allocations and/or revenues as defined by the County Manager.

- F. Reinventing Departments may create or abolish positions which impact the outcomes approved by the Board of Commissioners and within available revenues upon summary approval of the Board of Commissioners. Approval will come at the next regularly scheduled Board of Commissioners' meeting and will be attached and approved as part of the minutes.

SECTION III Tax Levy Rate

A tax rate of \$0.480 per \$100 of assessed valuation is hereby levied for Fiscal Year 2003/04, all of which is levied in the General Fund. No discounts will be allowed for early payment of taxes.

The following rates are levied for volunteer fire districts:

<u>Volunteer Fire Department</u>	<u>Tax Rate Per \$100 Valuation</u>
Bandys	\$0.0390
Catawba	\$0.0700
Claremont	\$0.0700
Conover Rural	\$0.0350
Cooksville	\$0.0550
Denver	\$0.0293
Fairbrook	\$0.0257
Longview	\$0.0568
Maiden	\$0.0312
Mountain View	\$0.0425
Newton	\$0.0513
Oxford	\$0.0600
Propst	\$0.0650
Sherrills Ford - Terrell	\$0.0400
St. Stephens	\$0.0500
Viewmont	\$0.0248

SECTION IV Hospital Fund

The Catawba Memorial Hospital Board of Trustees is hereby required to submit a monthly copy of its financial statements to the County Finance Director that will include a budget to actual comparison of all expenses and revenues.

The Hospital maintains a balance of not less than \$4 million with the County, in the Hospital Capital Reserve Fund, to finance and construct major Hospital capital projects. As long as the \$4 million balance in the Fund is maintained, monthly depreciation payments from the Hospital are not required. Monthly payments of \$50,000 will be required any time the balance is not maintained.

The Hospital is authorized to operate as an enterprise fund.

SECTION V Schools' Current Expense

The allocation of general revenues for the schools' current expense is \$1,103 per pupil based on the average daily membership of K-12. This amount includes \$44 per pupil to operate the following inter-school system programs-- Catawba County Bus Garage, Catawba Valley High School, Conover School for Exceptional Children, the Newton-Conover ACT Program, and the Community Schools Program.

It is recommended that the three county school systems appropriate from their estimated fund balance an amount not to exceed 5% of the current expense fund for the purpose of establishing a contingency account.

In accordance with the School Budget and Fiscal Control Act, each Board of Education is required to submit to the Board of Commissioners, as soon as adopted, a copy of the School Board's budget resolution. The school finance officer will submit a quarterly statement of the financial condition of the Administrative unit to the Board of Commissioners.

SECTION VI

Capital Projects and Grants

Project Managers will be designated on a project-by-project basis for all County construction projects and the procedures set forth in "Architectural Procedures – Catawba County," adopted by the Board of Commissioners shall be used to coordinate the efforts of all parties involved in a project. Any changes in the estimate, as a result of bids or otherwise, shall be reported by the Project Managers and carry his or her recommendation of approval to the Board of Commissioners prior to the advertising of bids. When compiled and approved by user agencies, all projects must conform to the Catawba County Design and Construction Specifications.

In accordance with the School Budget and Fiscal Control Act each school system will submit to the County Budget Manager detailed project sheets for each capital project included in this budget on sheets as specified in the "Uniform Budget" format, by January 1, 2004.

The General Capital Projects Fund, the Hospital Construction Fund, the Water and Sewer Construction Fund, the School Capital Outlay Fund, the School Bond Capital Projects Fund, and the CDBG Scattered Site Housing Fund are hereby authorized. Appropriations made for the specific projects or grants in these funds are hereby appropriated until the project is completed.

Any grant or capital project budget previously adopted, the balance of any anticipated, but not received, revenues and any unexpended appropriations remaining on June 30, 2003, shall be reauthorized in the 2003/04 budget unless a specific new budget has been prepared.

SECTION VII

Emergency Approvals, Schools

Emergency transfers to and from the School Capital Outlay Fund shall be in accordance with the School Budget and Fiscal Control Act.

SECTION VII

Annual Financial Reports

All agencies receiving County funding are required to submit an audit report by December 31, 2003. Approved payments may be delayed pending receipt of this financial information.

SECTION IX

Fees and Licenses

Charges for fees and licenses by Catawba County Departments or Agencies shall be in accordance with the fee policy. Fee changes to be adopted by the Board of Commissioners are set forth in the following Schedules A and B.

SECTION X

Per Diem Pay

The Board of Commissioners and members of County boards are authorized to receive per diem pay as follows:

Alcoholic Beverage Control Board – Chair, \$75 per meeting; Members, \$50 per meeting

Board of Adjustment – Chair, \$50 per meeting; Members, \$35 per meeting

Board of Commissioners – Chair, \$700 per month; Members, \$500 per month; In-County Travel Allowance, \$200 per month

Board of Elections – Members, \$50 per meeting; \$65 for Election Day

Hospital Board of Trustees - Chair, \$75 per meeting; Members, \$50 per meeting

Mental Health Board – Chair, \$50 per meeting; Members, \$35 per meeting

Planning Board – Chair, \$50 per meeting; Members, \$35 per meeting

Public Health Board – Chair, \$50 per meeting; Members, \$35 per meeting

Social Services Board – Chair, \$50 per meeting; Members, \$35 per meeting

SECTION XI

Personnel

- A. Salaries - Salaries for Fiscal Year 2003/04 are based on the Fiscal Year 2003/04 pay plan for Catawba County which is adopted as a part of this budget and is effective July 1, 2003.
- B. Cost of Living Adjustment/Performance Pay – All employees will receive a 2% Cost of Living Adjustment (COLA) on July 1, 2003. Funds are included for 70% of the workforce to receive a 1% Performance Pay based on an annual performance rating of Exceeds Expectations.
- C. Merit Payments - Funds are allocated in the budget to provide merit payments. The County Manager is instructed to prepare a plan for the administration of merit payments for exceptional performance to be effective during the Fiscal Year 2003/04 and to communicate said policy to all department directors and administer the plan.
- D. Travel Allowance - The travel allowance rate will be \$0.345 per mile.
- E. Special Payment - Positions that require specialized skills may be compensated by a special payment. This payment will only occur while the employee is serving in that capacity. This special payment is not considered a part of the annual base pay for classification. The amount of special payment is to be approved by the County Manager upon a recommendation by the Personnel Director.

SECTION XII

Budget Policy for State and Federal Fund Decreases

It will be the policy of this Board that it will not absorb any reduction in State and Federal funds; that any decrease shall be absorbed in the budget of the agency by reducing personnel or department expenditures to stay within the County appropriation as authorized.

This policy is extended to any agency that is funded by the County and receives State or Federal money. This shall remain in effect until otherwise changed or amended by the Board of Commissioners. The County Manager is hereby directed to indicate this to each of the agencies that may be involved.

SECTION XIII

Reappraisal Fund

In accordance with the provisions of G.S. 153A-150, an appropriation of \$333,251 will be made from the General Fund to the Reappraisal Fund for the purpose of providing funds for the next reappraisal.

SECTION XIV

Fiscal Control Act

The Budget Manager and the Finance Director are hereby directed to make any changes in the budget of fiscal practices that are required by the Local Government and Fiscal Control Act. This shall extend to permitted consolidations of funds and "Single Tax Levies" permitted in the Fiscal Control Act.

- A. As provided by G.S. 159-25 (b), the Board has authorized dual signatures for each check or draft that is made on County funds. The signatures of the County Manager, Finance Director, Assistant County Manager, and Assistant Finance Director shall be authorized signatures of the County.
- B. Operating funds encumbered on the financial records of the County as of June 30, 2003, are hereby reappropriated to this budget.
- C. The Board authorizes the appropriation of all Fund Balances earned by the Reinventing Departments as determined by the County Manager and as a result of the County's annual audit of June 30, 2003.
- D. The Board also authorizes (as is the practice) one principal account as depository for all funds received by the Finance Director from any source. Current accounting techniques shall be used to assure that all funds will be properly accounted for in the financial records of the County.

SECTION XV

Authorization to Contract

The County Manager or his designee are hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Board of Commissioners, for the following purposes: 1) Form grant agreements to public and non-profit organizations; 2) Leases of routine business equipment; 3) Consultant, professional, or maintenance service agreements; 4) Purchase of supplies, materials, or equipment where formal bids are not required by law; 5) Applications for and agreements for acceptance of grant funds from Federal, State, public, and non-profit organization sources, and other funds from other government units, for services to be rendered which have been previously approved by the Board; 6) Construction or repair projects; 7) Liability, health, life, disability, casualty, property, or other insurance or performance bonds other than similar items required by the Sheriff or Register of Deeds; and 8) Other administrative contracts which include agreements adopted in accordance with the directives of the Board of Commissioners.

SECTION XVI

Authorization to Award and Reject Bids

Pursuant to General Statute 143-129, the County Manager is hereby authorized to award formal bids received in amounts less than \$55,000 within the following guidelines: 1) bid is awarded to the lowest responsible bidder; 2) sufficient funding is available within the departmental budget; and 3) purchase is consistent with the goals and/or outcomes of the department. The County Manager shall further be authorized to reject any and/or all bids received if it is in the best interest of Catawba County. A report shall be made to the Catawba County Board of Commissioners of all bids awarded or rejected under this section and entered in the minutes of its formal sessions.

SECTION XVII

911 Service Charge

Pursuant to North Carolina General Statute 62A-4 and Catawba County Code of Ordinances, a monthly charge in the amount of \$0.85 is hereby imposed upon each exchange access facility subscribed to by all telephone subscribers whose exchange access lines are in the area served or which would be served by Catawba County Enhanced 911 Service. The said monthly charge shall be uniform and shall be charged to each exchange access facility regardless of the type of said exchange facility used.

This ordinance is adopted this 16th day of June, 2003.

/s/ Katherine W. Barnes, Chair
Catawba County Board of Commissioners

/s/ J. Thomas Lundy, County Manager

SCHEDULE A

Below are the fee changes that have been adopted as a part of this budget. All fees are effective July 1, 2003, unless otherwise noted.

EMERGENCY SERVICES

Ambulance Services

Mileage Fee (will apply to loaded mileage, pick up to delivery)\$8.00 per mile

Animal Shelter

Daily Board Fee\$8.00 per day

Civil Penalties

Second Violation.....\$75.00

Third Violation.....\$150.00

Fourth Violation (Habitual Offender).....\$250.00

Hazardous Materials Emergencies (fees charged back to spiller)

Emergency Response Vehicle \$400.00 per hour

Local Fire Department Emergency Response Fee (reimbursed to fire department)

Ambulance..... \$50.00 per hour

Squad Truck/Rescue Truck..... \$100.00 per hour

PUBLIC HEALTH

Clinic Services

CPR Education Fee\$5.00

Environmental Health Division

Food and Lodging Plan Review Fee\$200.00

UTILITIES & ENGINEERING

Building Inspection Fees

Alterations, repairs to existing structure, residential accessory (permit required for building exceeding 12 ft. in any dimension, picnic shelter, pole shed, detached garage, demolition (maximum 30 day cleanup), private piers, swimming pools, signs (permit required for each sign), etc. based on contractors= estimate and using the fee schedule below with a minimum building permit fee of \$84.00

\$0-\$5,000\$84.00

\$5,001-\$100,000\$84.00 +\$3.00 for each additional thousand or part thereof

\$100,001-\$1,000,000...\$369.00+\$2.50 for each additional thousand or part thereof

Over \$1,000,000.....\$2,619.00 +\$1.50 for each additional thousand or part thereof

Archive Research (per project).....\$21.00

Deck Permit\$63.00

Minimum Fee for any unclassified type of inspection / permit.....\$84.00

Mobile Home Permit (inspection includes steps, decks, skirting, setup only).....\$68.00

Modular Office Building\$84.00

Re-trip fee for any type of inspection.....\$115.00

Safety Inspection (Commercial – based on square footage)

0 – 5,000.....\$75.00

5,001 – 10,000.....\$115.00

10,001 – 50,000.....\$155.00

Over 50,000.....\$195.00

Commercial, Industrial, and other

Permits/New and Additions

Permit fees for building (including accessory structures that exceed 400 sq. ft.), electrical, plumbing, and mechanical shall be determined by using the following computations:

A = Total Gross Building Floor Area of Construction

B = Fee per Square Foot (from table below)

Total Gross Building Floor Area of Construction (square feet)

0 - 5,000

A x B

=Permit Fee

5,001 - 15,000

(A x B x .75) +(1,250 x B)

=Permit Fee

15,001 and above (A x B x .50)+ (5,000 x B)

=Permit Fee

June 16, 2003, MB#49

Occupancy	Building General	Electrical	Plumbing	Heating	A.C.	Total
Assembly	\$0.106	\$0.047	\$0.025	\$0.025	\$0.025	\$0.245
Business	\$0.097	\$0.061	\$0.042	\$0.038	\$0.038	\$0.276
Educational	\$0.113	\$0.056	\$0.042	\$0.034	\$0.034	\$0.279
Factory/ Industrial	\$0.060	\$0.025	\$0.025	\$0.016*	\$0.016	\$0.142
Hazardous	\$0.060	\$0.016	\$0.016	\$0.016	\$0.016	\$0.124
Institutional	\$0.175	\$0.089	\$0.089	\$0.047	\$0.047	\$0.447
Mercantile	\$0.076	\$0.042	\$0.034	\$0.025	\$0.025	\$0.202
Residential (other than new dwelling units)	\$0.112	\$0.049	\$0.049	\$0.025	\$0.025	\$0.260
Storage	\$0.047	\$0.016	\$0.016	\$0.016*	\$0.016	\$0.111

*Includes office cooling.

Electrical	
Electrical for Mechanical Unit (change out).....	\$37.00
Electrical Permit for Modular	\$58.00
Electrical Service for Mobile Home	\$42.00
Electrical Service for Recreational Vehicle in an approved park.....	\$42.00
Electrical for Water Heater (change out).....	\$37.00
Fire Alarm System for an existing building	\$68.00
Fire Alarm System for new construction and additions	\$115.00
Load Control Devices (per dwelling unit)	\$42.00
Minimum Permit Fee for all unclassified installations	\$58.00
Pole Service, Based on Power Service Size (AMPS)	Refer to chart below
Power Service - Sub Panel	

0 - 100 AMPS	\$68.00
101 - 200 AMPS	\$100.00
201 - 400 AMPS	\$137.00
401 - 600 AMPS	\$168.00
601 - 1000 AMPS	\$205.00
1001 - 2000 AMPS	\$268.00
2001 - 3000 AMPS	\$299.00
3001 - 4000 AMPS	\$336.00
4001 - ABOVE AMPS	\$399.00
Service Repair due to damage	\$58.00
Sign Service, Based on Power Service Size (AMPS)	Refer to chart above
Temporary Electrical (by agreement)	\$115.00
Monthly renewal fee for temporary electrical agreement	\$45.00
Temporary Saw Pole	\$37.00

Mechanical

*Boiler	\$58.00
*Furnace, Air Conditioner, or Unit Heater	\$42.00
Gas Line	\$37.00
Gas Logs (first unit at one location)	\$42.00
Each additional unit	\$25.00
*Heat Pump, Apollo Unit, Gas Pac, or Furnace with A.C.	\$84.00
Hot Water Heater (Change Out)	\$42.00
Mechanical Permit for Modular	\$58.00
Mechanical Unit for Mobile Home	\$42.00
Minimum Permit Fee for all unclassified installations	\$58.00
*Radiant Heat Systems, Wall Furnace, Unit Heater, Fireplace Insert, Gas Logs, Gas Light, Gas Grill, Chiller, Air Handler, etc. (gas line inspection fee included if checked at the same time the unit is inspected and installed by same contractor)	\$42.00
Temporary Mechanical (by agreement)	\$115.00
Monthly renewal fee for temporary mechanical agreement	\$45.00
<i>*These fees will apply to each of the first two Systems at one location. Each additional system will be \$37.00</i>	

Phased Construction

Footing/Foundation Permit	Based on total square footage at 50% of fee
Shell In Permit	Based on total square footage at 100% of fee
Upfit Permit	Based on total square footage at 50% of fee

Plan Review Fees

Express Plan Review	\$950.00 per hour
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Plumbing

Fire Sprinkler System for an existing building	\$68.00
Fire Sprinkler System for new construction and additions	\$115.00
First Toilet Room	\$84.00
Each Additional Full Toilet Room or Partial (including future ones)	\$42.00
Gas Line	\$37.00
Hot Water Heater (Change Out)	\$42.00
Minimum Permit Fee for all unclassified installations	\$58.00
Plumbing Permit for Modular (residential and commercial)	\$58.00
Plumbing system for Mobile Home	\$42.00

Residential

Permits/New and Additions

Permit fees for building, electrical, plumbing, and mechanical permits shall be determined by multiplying the total gross building floor area (includes heated and unheated under roof) by the cost per square foot with a minimum building permit fee of \$84.00 and a minimum permit fee of \$58.00 for all associated trade permits.

*Building	Electrical	Plumbing	Heating	A.C.	Total

\$0.112	\$0.049	\$0.025	\$0.025	\$0.025	\$0.260
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*Building Permits will be affected by \$5.00 surcharge effective October 1, 1991, as mandated by House Bill 37 - "Homeowners Recovery Fund" (G.S. 87-15.6)

SCHEDULE B
Ordinance No. 2003-14

BE IT ORDAINED that the Catawba County Code, Chapter 6, Animals, Article I, In General, Sec. 6-13 Sanctions and penalties is hereby amended to read as follows:

Sec. 6-13. Sanctions and penalties.

(b) *Civil penalties.* Animal control is authorized to assess civil penalties in the following manner:

- (1) A civil penalty of \$25.00 shall be assessed for the first violation of any section of this chapter.
- (2) A civil penalty of ~~\$50.00~~ \$75.00 shall be assessed for ~~each~~ the second ~~or subsequent~~ violation of any section of this chapter.
- (3) A civil penalty of ~~\$100.00~~ \$150.00 shall be assessed for the third violation of any section of this chapter ~~relating to a dog that has been declared dangerous.~~
- (4) A civil penalty of ~~\$150.00~~ \$250.00 ~~may~~ shall be assessed for ~~habitual~~ the fourth and any subsequent violations of any section of this chapter.

This 16th day of June, 2003.

/s/ Katherine W. Barnes, Chair
Catawba County Board of Commissioners

REVENUE SUMMARY

	Actual 2001/02	*Current 2002/03	Approved 2002/03	Approved 2003/04	% Change
Property Tax	\$55,121,022	\$56,464,661	\$56,464,661	\$61,183,072	8.36%
Fire District Taxes	2,147,311	2,027,441	2,027,441	2,325,566	14.70%
	\$57,268,333	\$58,492,102	\$58,492,102	\$63,508,638	8.58%
Sales Tax	\$22,438,450	\$22,062,809	\$19,402,809	\$26,043,058	34.22%
Other Taxes	\$940,355	\$1,522,901	\$1,522,901	\$1,347,834	-11.50%
Intergovernmental					
Federal	\$10,225,141	\$10,254,099	\$9,364,042	\$9,580,439	2.31%
State	14,491,744	11,463,888	15,124,518	10,699,820	-29.26%
Federal & State	9,829,655	9,887,727	9,786,294	10,183,072	4.05%
Local	1,569,759	1,388,325	1,389,973	1,325,856	-4.61%
	\$36,116,299	\$32,994,039	\$35,664,827	\$31,789,187	-10.87%
Permits & Fees**	\$23,734,720	\$24,295,946	\$24,611,141	\$24,874,497	1.07%
Miscellaneous	\$5,868,385	\$2,786,963	\$2,749,577	\$2,761,444	0.43%
Fund Balance					
General Fund	\$0	\$3,016,096	\$5,321,462	\$1,359,676	-74.45%
Mental Health	0	486,085	741,629	568,152	-23.39%
Other Funds	0	8,338,045	3,623,045	3,012,092	-16.86%
	\$0	\$11,840,226	\$9,686,136	\$4,939,920	-49.00%
Transfers to Other Funds	\$7,622,225	\$6,806,148	\$6,485,171	\$10,950,737	68.86%
Fines & Forfeitures	\$1,018,039	\$1,486,946	\$1,486,946	\$962,640	-35.26%
Other Sources***	\$3,029,162	\$2,981,051	\$3,110,869	\$2,914,769	-6.30%
TOTAL:	\$158,035,968	\$165,269,131	\$163,212,479	\$170,092,724	4.22%

*Current budget as of January 6, 2003.

**Includes County services such as ambulance, Building Inspection, Landfill, patient, inmate, Animal Shelter, and Zoning fees, tax collection for municipalities, insurance, Medicaid, and Medicare.

***Financing sources (less Fund Balance, Inter Fund Transfers, and Fines & Forfeitures) such as Sale of Bonds, Special Contingency, General Capital Reserve, Short Term Disability Premiums, and Group Health and Dental Premiums.

EXPENDITURE SUMMARY

	Actual 2001/02	*Current 2002/03	Approved 2002/03	Approved 2003/04	% Change
GENERAL FUND					
General Government	4,899,354	5,554,094	\$5,769,402	5,853,831	1.46%
Transfers to Other Funds	4,496,459	6,122,012	6,112,311	9,150,615	49.71%
Sheriff's Department	6,979,529	7,225,671	7,227,775	7,709,805	6.67%
Emergency Services	5,137,870	5,207,384	5,462,435	5,912,246	8.23%
Communications Center	505,236	1,107,562	1,143,655	1,163,276	1.72%
Other Public Safety	347,317	251,921	259,573	195,572	-24.66%
Environmental Quality	388,927	382,731	399,640	438,370	9.69%
Technology	2,484,294	2,406,692	2,471,381	2,304,212	-6.76%
Planning & Zoning	1,304,794	1,505,174	1,441,004	1,281,404	-11.08%
Utilities & Engineering	1,328,590	1,453,855	1,616,248	2,239,414	38.56%
Facilities	2,172,357	2,012,623	2,077,147	2,010,406	-3.21%
Medical Examiner	105,400	100,000	100,000	100,000	0.00%
Mental Health	14,301,898	14,614,657	15,575,942	14,650,304	-5.94%
Social Services	33,085,624	35,773,071	36,076,925	36,618,304	1.50%
Public Health	8,228,342	9,668,356	9,675,969	9,635,766	-0.42%
Schools Current Expense	28,202,411	28,019,879	30,016,982	29,538,852	-1.59%
Libraries & Culture	2,234,415	2,243,210	2,306,450	2,322,011	0.67%
Debt Service	10,987,318	10,547,311	10,547,311	10,282,780	-2.51%
	\$127,190,135	\$134,196,203	\$138,280,150	\$141,407,168	2.26%
OTHER GENERAL FUND TYPES					
Self Insurance Fund	\$2,219,859	\$2,917,378	\$2,917,378	\$3,149,354	7.95%
Register of Deeds Automation & Preservation	0	130,743	61,000	151,670	148.64%
	\$2,219,859	\$3,048,121	\$2,978,378	\$3,301,024	10.83%
SPECIAL REVENUE FUNDS					
Emergency Telephone System Fund	\$471,582	\$804,025	\$940,266	\$618,518	-34.22%
Wireless 911 Fund	0	210,451	0	125,968	100.00%
Narcotics Seized Fund	27,507	127,377	105,600	135,684	28.49%
Reappraisal Fund	373,871	428,944	446,569	389,633	-12.75%
Capital Reserve Fund	301,076	100,000	100,000	350,000	250.00%
Water & Sewer Reserve Fund	50,254	1,365,076	203,800	925,122	353.94%
Hospital Reserve Fund	0	0	0	800,000	100.00%
Rescue Squads Fund	554,247	614,226	519,525	711,653	36.98%
Fire District Funds	2,310,357	2,436,098	2,321,098	2,441,945	5.21%
	\$4,088,894	\$6,086,197	\$4,636,858	\$6,498,523	40.15%
CAPITAL PROJECT FUNDS					
General Capital Projects	\$1,840,186	\$7,647,655	\$1,698,800	\$2,799,000	64.76%
Water & Sewer Construction Fund	3,026,189	16,871,197	2,867,000	2,910,000	1.50%
Schools' Capital Fund	4,154,476	11,078,920	5,263,970	4,044,178	-23.17%
Schools' Construction Fund	0	0	0	2,350,000	100.00%
School Bond Projects Fund	4,160,392	1,570,720	899,381	0	-100.00%
Hospital Construction Fund	0	0	0	800,000	100.00%
Adjustment for Capital Projects from Prior Years	0	(23,321,532)	0	0	0.00%
	\$13,181,243	\$13,846,960	\$10,729,151	\$12,903,178	20.26%
ENTERPRISE FUND (Solid Waste)	\$7,450,524	\$7,937,982	\$6,586,292	\$5,981,181	-9.19%
LIBRARY ENDOWMENT FUND	\$0	\$0	\$0	\$0	0.00%
GRETCHEN PEED SCHOLARSHIP FUND	\$0	\$1,650	\$1,650	\$1,650	0.00%
PARKS/HISTORIC PRESERVATION TRUST FUND	\$228,546	\$152,018	0	\$0	0.00%
TOTAL:	\$154,359,201	\$165,269,131	\$163,212,479	\$170,092,724	4.22%

*Current budget as of January 6, 2003.

10. Other items of business.
11. Adjournment.

At 10:11 p.m. there being no further business to come before the Board, Commissioner Hunsucker made a motion to adjourn. The motion carried unanimously.

Katherine W. Barnes
Chair, Board of Commissioners

Thelda B. Rhoney
County Clerk